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USE & ABUSE  

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CAPITAL  
MACHINERY & LABOUR



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**USE AND ABUSE;**

**OR,**

**Labour, Capital, Machinery, and Land.**

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OF  
CAPITAL, MACHINERY, AND LAND.

BY  
WILLIAM M'COMBIE,  
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## INTRODUCTION.

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THE Distribution of the elements of wealth presented by Nature *to* man, and of the constituents of wealth secured from Nature *by* man, forms the great social problem of the times. Not only does this problem underlie all the various schemes of communism and organization of labour; but, discerned or not, is at the bottom of all jealousies between employers and employed—of all strikes and combinations, and, though more indirectly, not less truly, of all questions of rent, protection, and the incidence of taxation. There is the great storehouse of materials—the earth; and the great productive agent—the soil; and whatever man's skill and labour have educed, and his economy secured for his use, out of these.

Of objects directly adapted to man's wants, Nature presents but a scanty supply. And this is more especially the case in countries like that which we inhabit, where the spontaneous productions of the earth would do no more than sustain the lowest form of animal

existence, and that but to a very limited number. The materials of which the earth is the repository require skill and labour to adapt them to man's use ; and the productive elements embodied in the soil require skill and labour to develop them, and to secure products out of them adapted to man's daily wants.

And the constitution of things under which he is placed is adapted to stimulate man to provide not merely for his present, but for his prospective wants.—There are, for example, but certain seasons of the year at which the crops which constitute a large proportion of his food can be grown. If he does not till the land in its season, and sow and reap those crops in their season, he wants them for the year. Man, as he regards and provides for only his immediate wants, is an animal and a savage ; man, in proportion as he contemplates and provides for his prospective wants, evinces and calls into exercise his rational nature ; he rises above the animal condition, and secures the instruments of civilization.

And the labours of the savage, as they tend only to the supply of immediate wants, so do they bear only on the supply of individual wants, or of those of them for whom the instincts of nature prompt him to provide. But regard to prospective wants tends to develop the social elements of man's being. To make effective provision for these, men must act more or less in con-

cert. They first *combine* their labour; and as they attain greater skill in the processes, and better tools wherewith to perform them, they *divide* their labour. And the more that skill and variety of tools are called into requisition in any branch of labour, the more of training becomes necessary to fit for its expert and efficient performance. Hence the origin of different trades—the settled division of labour.

The fruits of labour adapted to prospective wants constitute capital. Capital is the product of skill and labour, saved and secured for future use. Not only can there be no capital without labour, but none without saving. All our houses, furniture, land-improvements, roads, railways, ships, factories, are the fruit of savings made by our predecessors or ourselves. Had our forefathers consumed as fast as they produced—had they saved nothing of the products of their skill and labour, we should have been in much the same state as the natives of Kamschatka, or New Holland. Capital, therefore, is the instrument of civilization.

So long as the only productive instrument is man's hands, or an appropriate *tool* which he uses with his hands, the difference between one man's productive capacity and that of another, is just as is the difference between their skill, strength, and power of application. But, in the progress of society, the possession of capital indefinitely increases this power. A man

who is able to produce more than another, or who saves more of the fruits of his labour, can procure better tools—he can purchase other animal power to do the heavier portions of his work; and, as invention proceeds, he can obtain machines, which will do great part of what he has hitherto done with tools, much more expeditiously, and in larger quantity.

One man who has produced and saved more than his neighbours, or, which comes to the same thing in effect, who has inherited what others have produced and saved, comes to possess more productive power than he himself can direct and apply; he is a capitalist. The man who has neither inherited nor saved, has no productive instrument but his hands. As to power of production, he, in consequence, stands at a great disadvantage compared with the man possessing capital. He, therefore, hires his labour to the capitalist; as, in this way, he can earn more than in working on his own account, with the very inferior instruments he might be able to obtain. This is the origin of working for wages; and when the number of capitalists in a community is large compared with the number of non-capitalists, hired labour is well paid—as capital has ever a tendency to seek productive occupation; and men, generally, who possess capital, will hire others to perform the heavier kinds of labour, rather than perform these themselves.

So far, all would be smooth and equitable ; and the more of the members of a community who were industrious and economical—the more that it possessed of the saved fruits of industry (supposing always that there is scope for remunerative labour)—the better wages would there be for those who had yet to begin to save—whose position led them not to be employers, but employed.

So far, we say, there is a clear and equitable relation between the capitalist and the labourer. But in modern society, especially as it exists in this country, this relation has become increasingly open to three great sources of derangement—the first source being found in the state of property in land ; the second in the extensive use of machinery ; and the third in the system of credit.

When one expends labour in the reclamation and culture of a certain portion of previously unappropriated land, by giving it a value which it had not before, he acquires a certain right to its possession ; and, subject to an equitable charge to the State, to be adjusted periodically, as the country advances in population and wealth, it is the interest of the whole community to sustain his title as valid. He owns the land which he cultivates, subject to a rent-charge for the maintenance of the civil government of the country. But the case is entirely different when property in

land is held territorially—immense tracts being owned by parties who do *not* cultivate it, and whose ancestors acquired it, not by cultivation, but by gift from irresponsible kings, or by means still more questionable; and who hold it, not under a rent-charge to the State, subject to adjustment, according to its increasing value—but subject merely to a trifling tax, whose amount was fixed more than a century and a-half ago. This is the first derangement in the relations of capital and labour. The territorial proprietor of land has become (or might have become, if he has not) an immense capitalist, without any labour, invention, skill, or care on his part—simply in consequence of the advance of the country in population, industry, commerce, and wealth. With respect to territorial estates recently purchased, the case is different as respects the owners; though, as falling in with the general system, the effects are the same as regards the community. Fresh capital has been invested in this sort of ownership of land—the former owners, generally, having dissipated theirs.

The second element of disturbance in the relations of capital and labour is, the extensive introduction of machinery as a substitute for manual work. Mr. Mayhew, in his “London Labour, and the London Poor,” calculates the manual workers of England and Wales at 4,000,000, and the steam-power as equivalent

to 600,000,000 of such workers. Whether this be an over-estimate as respects our steam power or not, it is certain that such power is now employed as a substitute for human labour, in productive and adaptive processes, to an enormous amount. This power, in its increasing application, is ever, not only aiding, but *displacing*, manual workers. The advantages of cheapened production the manual workers share along with others, so far as they use the articles thus produced ; but in the direct remuneration arising from the productive energy of the steam power, which may have deprived them of work, they have no share, and can have no share, as things at present obtain, unless by becoming capitalists themselves.

But the working class, as a class, have not husbanded their means of becoming capitalists. An eminent statistician, by careful calculation, has shown that they consume more than 50,000,000*l.* annually on two or three objects of pernicious indulgence. In doing so, they have dissipated, consumed, thrown away, the only power at their command for securing a share in the proceeds of mechanical productiveness. Without capital, of course, they are helpless to *compete* with machinery ; and without capital, they have no recognisable title to share in its fruits. " Knowledge is power ;" but, in manufacturing processes, skill of head and dexterity of hand have found such formidable



rivals in machines, that it is in these, emphatically, that the power of knowledge now finds its embodiment. But these can only be procured by means of capital. In manufacture, therefore, capital is power; and, by means of inventive skill, it has been converted into power so overwhelming as, in many branches of employment, to have crushed down the poor, non-capitalled, human worker into prostration and despair. His bootless task of competing with his machine-rivals has become one of indefinitely increasing labour, and indefinitely diminishing remuneration.

But we must hasten to glance at the third source of derangement in the relations of capital and labour; viz., the modern system of credit. Capital, as we have seen, consists of real commodities—the real capitalist is the man who possesses these. Bills, and all paper money, are devices for transferring the use of capital to other than the owners. By means of this instrument, men who have a nucleus of capital of their own, and possess what is called credit, obtain large advances of the capital of others, of which they have the use, all the same as if it were their own, *minus* the interest they have to pay for it. By means of the modern system of credit, capital is accumulated and concentrated upon much larger works than could have existed (at least in such numbers) had there been only the natural means, without the factitious instruments, of

aggregation. These immense accumulations of productive power in the hands of individuals concentrate large profits, and induce large risks ; both of which injuriously affect the condition of the operative. Facilities of credit on the one hand, and the hope of great gains on the other, stimulate speculative production as well as speculative trade. Speculative production makes the demand for labour unsteady—calling for over-work during the period of excitement, and reducing to half or no work during the season of collapse. Our system of credit, by thus increasing the means of large concentrations of productive power, increases, at the same time, the hopelessness of any efforts on the part of the operatives to raise themselves in the social scale—to advance, we mean, from the position of hired producers to that of being producers on their own account. Individuals do rise here and there, but it is *out* of the class, and at the expense of the class, rather than to its benefit. Credit and machine-power facilitate the rise of individuals, but only—as things at present obtain—to stereotype the degradation of the mass.

Not but that numbers of the better paid class of operatives have still the means of saving from their earnings ; but the circumstances of their condition tend to extinguish the desire to save. The monotony of their labour-life makes them seek excitement during

the hours of relaxation. The hopelessness of raising themselves in the social scale makes them reckless of what should be the means. These causes, combined with defective training in childhood, and early association with the contaminated and depraved, induce a hand-to-mouth, and, too often, dissipated life, at the antipodes of all settled moral habits and all economical forethought. But it is with the statical and dynamical, rather than the moral, causes of our social evils, that we are to deal in these pages, or with these as they induce the moral. And we find that facilities of credit, as well as the enormous use of machine-power, have tended to widen the social chasm between the capitalised and the non-capitalised class—between masters and men. Capital, concentrated through credit, and converted into steam-power, distances and displaces labour. Labour at once envies and despairs of capital—grudges the capitalist his position and his rewards, and dreams of sharing in them, without any very distinct realization of the appropriate means.

Viewed apart from our conventional notions and habits, it would seem a most strange and melancholy fact, that while our mechanical powers of production have, within the last three-quarters of a century, been *relieving* human labour at a rate much more rapid than that of the increase of our population, the procuring of the means of subsistence should have become, to an

increasing number, matter of greater struggle and difficulty than before ; that what must have diminished the amount of human toil, to a great extent, as compared with the amount of products, has yet, to many of our people, increased the toil by which they have to purchase a share of those products.

The main dynamical causes, in our social state, of an anomaly so strange and sad, we have recognised in the laws and usages relating to landed property the extensive use of machinery, and the modern system of credit ; and it will now be needful to inquire a little more specifically as to *how* these elements of our social mechanism affect the condition of the manual worker.

And, first, as to the bearing on the working classes of the laws and usages which determine and regulate property in land. The value of land naturally increases in proportion to the demand for its produce, that demand depending on the number requiring to be fed from it, who are not engaged in its cultivation. When the population is thin, compared with the extent of territory, and the numbers engaged otherwise than in husbandry (as formerly in this country, and in our colonies at the present time) comparatively few, the land is of small value. But, where the population is dense, and, through social advancement and conquest over nature, a large proportion occupied otherwise than in the culture of the soil, the value of the land there

becomes great. Where the constitution of the country, as with us, vests the absolute proprietorship of the land in the hands of individuals, all this progressive enhancement of value accrues to them. And when such property is vested in comparatively few hands, an immense proportion of the product-value of the country is concentrated on a small section of the population. Of the gross produce of the land, we shall suppose that one-half is directly absorbed in reproduction—in seed, manure, instruments of culture, and the maintenance of those engaged in its cultivation; that one-fourth accrues to the landlords, one-eighth to the agriculturists as profit, and one-eighth to the public, or the community, in the shape of land-tax, and rates bearing directly on landed property.

It is evident, then, that of this one-fourth of the gross produce of the land of the country, or one-half of the value of its available or free produce, the landlords have the absolute disposal. They may use or consume it in any way they please; the law does not oblige them to apply one farthing of it to reproductive processes, or to the enhancement, by means of improvements, of the productive powers of the soil from which it is derived. They may consume it in modes which reproduce nothing, which *extinguish* it in the consumption—they may remove it from the locality in which it was produced entirely—they may take it out of the

country altogether—they may, in short, consume it when, where, and how they please. How they do consume it, in great part, is, perhaps, sufficiently indicated by one suggestive fact; viz.—that, within the last few years, the Government of the country have had to make very large loans to the proprietors, to enable them to make permanent improvements on their land. That is, though the landlords absorb one-fourth of the value of its gross, and one-half the value of its free produce, the community have had, notwithstanding, to be *taxed* for its improvement.

But, the resources of the community will always be proportioned to the amount of the fund applied wisely and well to purposes of reproduction; and that fund must be diminished by all the amount withdrawn and consumed in ways that are not reproductive. The more that is withdrawn in rent from land, *and so consumed*, the greater will be the struggle of the occupiers of land to maintain the reproductive process, and the less will they have to expend in improvements; in other words, in increasing the productive capabilities of the soil. And, in consequence, there will be the less demand for labour, fewer hands occupied, and lower wages realized. This is one great cause of the miserable condition of the agricultural labourers in England, and of the crowding in from the country into the towns of so many who cannot obtain work.

For a time, the rapid extension of manufacturing enterprise produced increasing employment in the towns, and better remuneration than could be earned at agricultural labour ; but the great increase of population, the continued influx, and the constant process of extending displacement of manual labour by mechanical invention and improvement, combined to reduce wages to all save the more skilled workers in the processes which machinery could not perform. To those *competing* with machinery, such as the hand-loom weavers, the struggle has every year been becoming increasingly desperate and hopeless. To those employed in the easily acquired arts of *adapting* the fabrics produced by machinery to human use, such as needlewomen and tailors, the case has been no better. The women who, in another age, spun the yarn, and the men who wove the cloth, are both reduced to sew. The competition, therefore, in all branches of the sewing business, is immense—the rewards reduced to the most miserable pittance, and, consequently, the work necessary to be performed, in order to earn the barest means of supporting life, is rendered crushing both in severity and duration.

The difficulty of obtaining work, and the utterly inadequate remuneration which all, save the heaviest manual, or the highest skilled work, brings, drive many to seek a living by becoming distributors who would

else be producers ; hence the redundancy of the smaller shopkeepers, of street-sellers, &c., and the ruinous competition amongst them. But, when we ascend a little higher, we find this redundancy of distributive means, as compared with the wants of the population, to be owing, in great measure, to the facilities of credit. The real capital of the mercantile community would sustain but a portion of the mechanism of distribution which, at present, subsists in this country. A large portion of it is sustained by capital obtained through credit ; and, especially, through the use of promissory paper. If there was only veritable realized capital at the bottom of our distributive mechanism, there would be less redundancy in the means, more safety in the function, and better rewards to the agents of distribution. And the public would be large gainers by the removal of temptations to vamp up an inferior class of goods for the sake of cheapness ; and to adulterate, in order to realize a profit which competition has rendered impossible through legitimate means.

Our social system, then, presents, (1) A redundancy of the mechanism of distribution—a number of distributors, or merchants, disproportionate to the wants of the community ; hence the intense competition in business, and the perennial complaints of dullness, want of custom, and so on ; (2) A redundancy of adaptive power ; hence the depressed condition of tailors and



needlewomen,—hence the sweating system, slop-work, long hours, and Sabbath-work ; (3), A redundancy of productive power ; hence gluts in the market, factories closed, or working half-time, starvation amongst workmen, and ruin amongst manufacturers. Redundance of distributive power, redundancy of adaptive power, redundancy of productive power, and redundancy of products ; and yet a large proportion of the population unable, unless by the most crushing and incessant labour, to obtain the barest necessities of life.

And this anomaly of our social state we find to result from the waste of capital,—consumption in unproductive uses ; secondly, from the misdirection of capital—absorption to an undue amount, in great measure, first productive, and distributive functions ; both drawing it off from initially productive occupation—from the means and instruments of cultivating and improving the soil ; hence, with a redundancy of manufactures we have a deficiency of home-produced food ; we have to pay foreigners to produce it for us ; and that while the productive resources of our own country remain, confessedly, to a large extent, undeveloped.

And they have remained so, for one main cause, because so great an amount of the produce value of the land has been withdrawn in the form of rent, and spent, not in enhancing the productive capabilities of the soil, but rather in stimulating that transformative,

adaptive, and distributive mechanism, whose redundancy is a chief source of our social miseries. The revenues derived from the land have been little applied towards increasing its productiveness, or the comforts of those engaged in its cultivation. Hence, one portion of the population has been driven from the soil, and, to a large extent, the remaining portion left to a crushing struggle for subsistence on it.

Yet, here is the great remaining field for manual labour. Here, machinery has superseded human hands to but comparatively small extent. Here, the same acrabable surface would require more human hands (along with all approved mechanical appliances) for its culture, up to the attainments and demands of the time, than it did seventy years ago. Here, in drainage, in fencing, in sub-soiling; in providing buildings and appliances for the effective carrying on of the farmer's business, and in erecting comfortable dwellings for the farm-labourers, the redundant hands, now crushed into a life-and-death competition in towns, might find employment. Then, the home resources of the country would be greatly augmented—the staple necessities of life drawn from our own soil much increased, were the land placed under such an economy, as that a portion of the revenues, now withdrawn as rent, should be applied to such purposes. Here, then, we find the fountain-head of our social derangements, the primary

source of the alienation between labour and capital, the occasion of the depression and misery of a great portion of our population. It is the withdrawment of a large portion of capital which should be applied to the improvement of the soil, the enhancement of its productive resources, and the amelioration of the condition of its cultivators. It is a very serious evil, and the recent recoil from a long-continued course of fiscal injustice has tended to increase it.

That the measure to which we have just alluded has done an immense amount of social good, far outweighing the loss and inconvenience it has occasioned to the agricultural class, is a fact we both recognise and rejoice in. The progressive diminution of that opprobrium of the English social state, able-bodied pauperism, during the last three years, is sufficient proof of that; still it will require to be followed up by other great measures of fiscal and social justice, in order that its benefits may become universal in the community, and that our current cycle of prosperity may be redeemed from that mere fitful and temporary character which all like seasons with us have hitherto unhappily borne.

It is almost too late in the day to need even to notice the theory which attributes the increasing labour necessary to obtain the means of subsistence, in the case of a large proportion of the people, to over-population. The one sufficient refutation of that

theory is, that we possess, or can command, ample commodities for the subsistence and comfort of all, could there be but an approach made to a more equable distribution. Our productive resources are more than adequate to the real legitimate wants of all our population—bodily, mental, moral, social—were but their direction wisely regulated, and their fruits equitably distributed and economized. In order to that, there are two essential requisites—justice in the laws, and virtue in the people. The right application of our productive mechanism, and the equitable distribution of its products, have been fearfully affected by the violation of both these conditions. The social body will not enjoy comfort and happiness through all its sections, until a remedy be applied at *both* these points. This we not only grant, but avow.

But the character of the laws of a country is more directly under the control of a community than the virtue of its members; and the measure of justice under which any community subsists and acts, is a main element of influence on the character of its members. Therefore, when a community has come into a state of social and moral derangement, the first thing towards a remedy is, as far as may be, to secure justice to all, and thus clear away the physical obstacles which obstruct or neutralize moral education.

A large measure of attention has been bestowed on

questions of political right and political justice, and perhaps a disproportionate amount of social benefit expected from the securing of such, whilst the far deeper questions involved in social and fiscal justice have, until lately, been strangely overlooked. The following lectures were composed, and are now offered to the public, as an humble contribution towards the solution of two or three of the most important questions belonging to this latter class ; and the author has entered into this rather lengthened introductory disquisition with a view of fixing somewhat more determinately the relation of those questions to our social exigencies, and of abating somewhat to the reader the disadvantages of the peculiar form and fragmentary character of these tracts. The order in which the subjects under consideration are discussed in these two lectures will be found a little different from that in which they have evolved themselves in this preliminary disquisition : the truth is, the position of the lectures was determined more by chronological than by logical reasons, that being placed first which was first composed and delivered, and which was in existence ere some of the leading convictions, on which the other is based, were ascertained and developed.

# MODERN SOCIETY.

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## A Lecture.

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MY FRIENDS,

I HAVE had the temerity this evening to commit myself to a vast and difficult subject—a subject embracing such complicated facts and intricate inquiries, all of high importance and of intimate connexion; inquiries, I say, so wide, and in some of their branches so recondite, that instead of ~~its~~ being possible to embrace or even touch on them all within the limits of a single lecture, they would occupy and demand an extended course.

There is, indeed, one way in which the subject might be comprehensively treated, and in the hands of one possessed of the genius of a real artist, made to supply an hour's gratification to an audience; and that were by presenting a pictorial view of the prominent features of our social state. A mind possessed of all the range and susceptibilities appropriate to large power and high culture, yet so cleared of whatever tends to warp or to deaden these, and so divested of habitual associations and impressions, as to be able to take in a fresh view of Modern Society throughout all its compartments and relations, might present a picture of the deepest interest. To a real poet Modern Society presents a richer field than was ever before opened up

perhaps, in this universe; and when the true genius of the era shall arise, he will find a theme ready to his hand, such as I believe poet was never before supplied with. Meantime, those who would see some real daguerreotypings of our current life, may turn to the pages of Thomas Carlyle.

And well executed by a competent artist, such a picture might serve for something more than mere æsthetic effect. Through the strange and startling contrasts it would present, it might be the instrument of no slight moral impression. And, indeed, the artist is destitute of the highest element of his true function if his work fails of this result. But the subject to which I stand committed this evening might be treated not pictorially, but diagnostically. Modern Society is confessedly the subject of deep-seated diseases, and I might fully occupy all the time during which I could reasonably claim the indulgence of your patience, in enumerating the distinguishing symptoms of these. And it were no easy, and might be made no unprofitable task. Or, I might treat the subject empirically; and assuming not only the existence of deep-seated social disease, but also the inefficacy of all the sanative elements hitherto in operation, or capable of being applied to society as at present constituted, might proceed, after the quack fashion now so much in vogue, to prescribe some universal medicament, to advocate some of the many schemes of communism, socialism, or some other as yet unheard of *ism*, which is to heal all human ills—give to all ease, abundance, contentment, and felicity—to conduct the race at once and with the greatest possible celerity to the real El Dorado.

I need scarcely say, however, that I have no faith in any such scheme yet broached, or in any which may *issue from the heated brain of future Proudhons or*

St. Simons ; believing, as I do, that human society received a constitution from its Author, which defies remodelling ; and which does so, simply, because its foundations are laid in the deepest and most essential elements of human action. According to any light which I have yet acquired in social economics, whatever tends in any degree to dissociate from a man's individual exertions the enjoyment of the full legitimate fruits of these : whatever tends to loosen what I, borrowing a phrase from astronomy, may call the centripetal force of domesticity—whatever would weaken the force of family bonds, and family interests, and family affections, goes at once with me into the Index Expurgatorius. The continued existence of human society is no otherwise possible than through the inviolate maintenance of the domestic constitution. A healthful—which however is not a selfish—concentration and play of the domestic affections is not merely the only thing that can sustain the mass of men in continuous, patient, persevering toil, but it is that alone which can diffuse and sustain a healthful tone through all the wider relations of society. Give me inviolate and happy homes sustained by faith and brightened by hope. Let the members of a community be all gathered into such, and there must be woeful injustice and perversity in its fiscal economy if such a community fails to be prosperous and happy.

And I do believe that in our own case one of the greatest evils attaching to, or inhering in, our present social condition is to be found in the barriers presented everywhere against our young men obtaining, at the appropriate season, the means of concentrating their affections on a domestic circle of their own. I believe that these barriers have operated as one of the main *occasions* of the moral deterioration of the labouring



classes, now so generally acknowledged and so deeply deplored. But I only incidentally touch on this, and must hasten to inquiries to which I have resolved more especially to address myself in the sequel of this lecture.

What is properly called social science is of very recent origin, and therefore is, as yet, in many of its compartments, in a rudimentary, and even chaotic state. In regard to functions of the social body, we find it much the same as in regard to the function of digestion. Many people hardly know that they have a stomach until they come to have a bad one, and, consequently, feel no practical interest in the physiology of digestion or the laws of dietetics. So it has been in regard to the great laws which govern social weal; they were never inquired into, or even thought of, until the depths of our social diseases forced attention to them.

Of our great social evils, there may be named as prominent:—Increasing class separation; intense competition in business and labour, and the continuous state of want of a large proportion of the community, or that settled destitution which obtains the name of pauperism.

Now, earnest and zealous attempts are making in various forms, some of them laudable in their way too, to abate these evils. But what will they avail in the long run, while the causes are in unchecked operation, which are ever producing them in extended measure? It will be all but a nibbling at the symptoms while the disease is untouched, and, perhaps, its very pathology remains undetermined or unknown. The task, then, to which, on an earnest survey of the whole subject, I have resolved more specifically to address myself this evening, is an inquiry into the causes of these evils. What amid such unprecedented *mechanical appliances* and powers, such industrial energies,

such inventive genius, such accumulations of wealth—what are the causes which have tended to induce, for instance, the fierce competition which business, which labour, which professional life presents in so many departments? and why, in the greatest of industrial nations, are there so many who can neither obtain work to earn the necessities of life, nor command in any way, save by public or private charity, any means of procuring them?

We may feel assured that diseases so deep-seated and so obstinate have been brought upon us by no merely recent influences—by no mere temporary calamity of yesterday; but that the causes have been of long standing; and of deep, though, perhaps, silent and undetected operation. In the inquiry I have been able to pursue on this occasion, the main causes which have presented themselves to my mind are three:—Facilities of credit; wasteful consumption; and distaste for, and the disrepute of, patient labour.

I shall now have to bespeak your patience and attention for a longer period than, in many respects, I should have wished, whilst I attempt to explore a small portion of that *mare magnum*—that almost unnavigated sea—the currency question. I should certainly not have taxed your attention with an inquiry so intricate and difficult, if I had seen it possible to do any justice to my subject without adverting to it. I shall do what I can to make myself intelligible, and shall be happy to endeavour to answer any question, or to solve any difficulty, so far as in my power, which any of my hearers may feel at the end.

You all know what is meant by capital. It is a comprehensive term for every sort of savings, in whatever form embodied. All capital ranges itself under two great divisions—fixed and floating. These two

great divisions of capital are thus respectively characterised by John Stuart Mill, one of the greatest living authorities in the science of political economy:—"Capital which fulfils the whole of its office in the production in which it is engaged by a single use, is called floating capital. Capital which exists in durable shapes, *e.g.*, machinery, roads, canals, permanent improvements of the land—the return of which is spread over long periods—is called fixed capital."

As a country advances in civilization, in order to the continued enjoyment of abundance and comfort by its whole people, an increasing proportion of its capital must go into the fixed state, or take the fixed form. In the more primitive social states, capital is found almost all of the floating kind—the stored fruits of the earth, and flocks and herds of domestic animals; and even the tents which sheltered the Patriarchs, and still shelter Syrian and Arabian shepherds, could hardly without a misnomer be considered *fixed* capital. But as society advances, all the great instruments of civilization are found in the form of fixed capital—cultivated land instead of pasturage, substantial buildings instead of tents or wigwams, roads, bridges, canals, ships, machinery. Not only does increasing population demand the absorption of a proportionately increased amount of capital in these; but an advancing civilization demands the embodiment in them of a greater amount of capital in proportion to the population, for it is only by means of this that material civilization, in the first instance, can advance. And in order to acquire the means towards this, there must be increased industry and saving amongst the people.

In a truly prosperous community, with civilization and wealth advancing for the benefit of all and to the *injury of none*, all the capital that passes into the fixed

form should be to spare over the current demands for consumption and reproduction. If one wants a piece of cloth to make a coat, for instance; in a natural state of exchange, he must have a calf, or a sheep, or so much corn, or some other *made* article, to give in exchange for it. If he has none of these, he must want the coat till he has laboured for it. Perhaps, however, if he inhabits a house of his own, the merchant would give him a coat on condition of obtaining a claim on his house; and, if he was not able within a certain time to give something equivalent in value for the coat, the person who supplied it would claim the house and sell it in order to obtain payment. The house is the fixed capital of the man who wants the coat, and in giving a claim on it to the person who supplies the coat, he has begun to consume his fixed capital! In clear addition to its fixed capital, every community should have floating capital adequate to supply its current wants, and to perform the function of reproduction. But whenever one wants a commodity and has no other spare commodity to give in exchange for it, it is evident that he has converted more of his savings into fixed capital than he can spare over the supply of his current wants, and, consequently, in order to supply these he needs to reconvert a portion of his fixed capital into floating capital. He now wants something for which he has no disposable commodity to give, and must borrow from some one, or pledge some of his goods in order to obtain it.

In the earlier stages of society, barter was the mode by which a necessary or desirable exchange of commodities was effected. But when the precious metals were discovered, and the art of assaying them found out, they naturally came to be adopted as instruments of exchange, bearing, from their comparative scarcity,

and the amount of labour involved in rendering them fit for use, a high and comparatively steady value. In barter or in exchange with the precious metals, value for value is given. But there is a tendency in individual wants to run a-head of acquisitions, and there are various methods for anticipating the regular mode of supplying these. One lends to another a spade or a cart, it being an understood thing that after a temporary use of it, after it has served a temporary purpose, he shall return it to its owner. But it is often more convenient to borrow money and purchase articles you want therewith, than to borrow the articles themselves. That is another step, generally involves a longer loan, and—from this fact and other elements in the case—greater risk as to the repayment. You lend me, say twenty pounds, and if you have confidence in my ability and will to repay, you accept a simple acknowledgment in writing from me. But you may see reason to doubt the one or the other, and you wish somebody to guarantee that I shall pay, and who, if I fail to do so, must do it for me. The writing bearing that guarantee is called a bill. But an inconvenience is often felt in soliciting the loan of money from private parties, and this has led to the establishment of what are called banks—individuals, or more frequently companies, who make it their business to lend money: who receive money from those who have more than they require the use of, as deposits; in some cases, as in that of our Scotch banks, allowing a certain yearly payment, under the name of interest, and charging a higher per centage from those to whom they lend. These are called banks of deposit and circulation, and this was the original form of banking, and, in an advanced state of society, will be seen to be an immense convenience. Therein their utility was unquestionable. Such banks formed

a medium through which all who had money to spare might, without trouble to themselves, have it put to use and receive a return for its use. I cannot stop to inquire what should be the constitution of such banks, or what precautions should be adopted for the security of the depositors, but you will see that ample securities of some kind are indispensable.

But here I wish you to mark the origin of what is called interest, and the fiscal and social facts which determine its rate. Interest or payment for the use of money results from individuals in a community wanting commodities for which they have no other commodities to give in exchange. If everybody had everything he wanted, or the fruits of previous industry and saving, wherewith to purchase whatever he wanted, there would, it is obvious, be no such thing as interest, there being nobody requiring to borrow. With a currency composed only of the precious metals, and representing about the market value of these; it is obvious that if everybody had whatever he wanted, or possessed spare goods or money to give in exchange for what he wanted—in such a social state the use or loan of money could command no return. Nobody would require to borrow, everybody being able to pay. And so in a community where few require to borrow, and the many are able to pay, it is evident that the use of money will command a small return; whereas in a community where there are many requiring commodities which they have no disposable commodities to give in exchange for, the use of money will command a high return.\* The rate of interest in a community, it will thus be seen, is regulated not merely by the proportionate amount of wealth in it, but by the compara-

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\* See Note A. at the end.

tive distribution of wealth. There may be great wealth in the hands of a few, and yet the many being poor, or, in other words, not able to purchase all that they require, the rate of interest will be high. It will also be seen that the rate of interest will be regulated not only by the proportion which the natural wants of the community bear to its productive powers, but also by what may be called its artificial wants. A community may be kept poor by a faster development of artificial wants than of productive resources. That will induce a high rate of interest or a high return for the use of capital. These remarks you will perceive are made on the supposition that there is a metallic currency adequate to effect the exchanges going on in the community. An inadequacy in the amount of this would induce one of three things, or a portion of them all, perhaps—exchange by barter, comparative enhancement of the value of the precious metals as compared with that of other commodities, or recourse to some other medium of exchange. The latter expedient has been that resorted to in modern society, and the substitute is paper. But here I must revert to what I conceive to be the main cause inducing the adoption of paper money.

The main cause which has induced recourse to a paper currency, I conceive to be quite other than an absolute scarcity of money as compared with the exigencies of trade. This cause I deem to be, in fact, the same as that which makes the use of money dear; viz., many in the community wanting commodities, but having no spare commodities to give in exchange—many in the community converting their floating capital faster into fixed capital than they can afford to do, or many consuming faster than they can *afford to do*. *Either of these causes, or a combination*

of both operating in the case of any large proportion of the community, will make money in demand—will induce a desire for *an instrument* of exchange, in the absence of *real* commodities to *give* in exchange. And, indeed, whenever a promise to pay is given, instead of real payment, though this should only take the simple form of a note of hand, the principle of paper money is admitted, all of which, whether in the form of private bills, or bank bills, is just the substitution of a promise to pay for real payment, as, in fact, every bank note bears on the face of it, if you will but look at it. If all had real savings, or the intrinsically valuable representatives of these, gold and silver, to give in exchange for whatever they wanted, it is evident there would always be ready real payment, and never mere promises to pay. But when a man is, for instance, converting his floating capital or his savings faster into fixed capital than he can spare them—when he is building a house and has not money or corn enough to give in exchange for the materials, and in payment of the builders, and retain what will feed and clothe his family meantime, he requires accommodation—he needs to borrow. Or take an example that will illustrate the combined operation of *both* the causes I have specified. A proprietor of land wishes to improve his estate, by drainage, the reclamation of waste portions of it, or otherwise, but wishes also to retain his pack of hounds or his stud, or, mayhap, both, and to give the like expensive and elegant entertainments he has been accustomed to give. Well; he has no surplus rent or produce wherewith to pay the labourers he requires for effecting his desiderated improvements. In the *natural* course of things either his improvements must remain uneffected, or he must give up his hounds and hunters, and reduce his establishment. He is very unwilling to do either; and



here bank paper—paper money, comes in as the very thing to free him from his dilemma. On the security of his land a banker will advance him money—will accommodate him with his paper to pay the labourers who improve his land. But mark you, by this transaction he really ceased to be the owner of so much of the land as would be equivalent in value to the amount of accommodation he received. Who has become the real owner of it? The banker? This question stirs another one. What has the banker accommodated him with? Not with real commodities, but with paper. Not with value for the land, but with a promise to give it on demand. He does not become the owner, for he has not paid. We must seek a little further; and who is it that in a natural state of trade would have become the real owner of so much of the land? The person who supplied the corn with which the labourers were fed. If there had been no intervening medium the landlord must have applied to somebody who had corn to spare—who had saved corn, and he would have given him so much in exchange for so much of his land, and that because he *had* saved, because he had floating capital ready to be converted into fixed capital, and the other would have had to part with a portion of his land because he had not saved, and in consequence needed to reconvert a portion of his fixed capital into floating capital—or more properly, needed to consume it. He might have kept his land, and improved it too, by parting with his horses and hounds; the corn they consumed would have fed his labourers; but he did not like to do that; and here bank accommodation comes in as the very thing—enabling him to eat his cake and have it at the same time; enabling him to retain apparent possession of his land, keep up his establishment, *and yet effect his improvements* too. But mark you how

it was possible for him to do so. He could not have done it if everybody had acted like him. If nobody had saved corn in the country, there would have been nothing to have fed his labourers, and bank paper would have been very powerless then. Paper money can only act as an instrument for the transference of previous savings made by somebody. The only thing that can sustain labour and stimulate improvement in a country, is savings out of the fruits of previous labour. All bank bills and private bills are but devices for accommodating or supplying people with such savings, who have not enough of their own for their use, or for the business they may carry on.

Is bank paper, then, of no utility? I am not affirming that. It is a most convenient, and might be made a comparatively inexpensive instrument of exchange—might subserve an important purpose if its use could be restricted to the re-distribution of savings applied to the production of permanent utilities—a phrase by which you are to understand very much the same class of objects as are included under fixed capital. In the earlier stages of its use, I believe, paper money was in great part confined to this function, and by the unique facilities it afforded for a re-distribution of the savings of industry, it no doubt served to give a great stimulus to enterprise, commercial, manufacturing, and agricultural. Permanent utilities were promoted by it—agricultural improvement, roads, canals, bridges, ship-building, the erection of buildings, of machinery, &c. The advance was at a more accelerated rate in all these than without this instrument of transfer it might have been. Even this, however, is hardly sufficient to prove the real, permanent utility of promissory paper. Every speculation which enlists any large measure of energy and enthusiasm is successful for a

time. It is all plain sailing while you can expend what you have not earned. But when the tightening comes—when you cannot command any more of this, but instead, are called on to refund, then comes the difficulty. The enthusiastic speculator, you would think, never dreams that he will have to pay. From his conduct, you would conclude his belief to be, that by means of a few hieroglyphics and pen-scratches, he had conquered one of the fundamental laws of nature, and was able not only out of nothing to make something to arise, but an unlimited supply of desirable commodities according to any ratio of wants. Yet I would have you not only to see, but to remember, that paper money really is nothing; the annihilation of the whole of it now in circulation would not in the least diminish the real wealth of the community, but would only affect the distribution of that wealth. Paper money is not real payment, but only a promise to pay; a bank bill is as purely such as any bill of yours, or mine and my neighbour's, would be. Only in the one case, there may be greater security, and the means of more readily obtaining payment, than in the other. A paper currency is a device to make fixed capital perform the part of floating capital, or for enabling one at once to retain his commodities and obtain others in exchange for them, as he obtains other commodities on their credit. The commodities thus allowed to remain in possession of the person accommodated really belong to the party making the advance; and he will take possession of them whenever he loses confidence of being otherwise paid. The use of a valueless instrument of exchange is a great convenience in an artificial state of society, but it is attended with many risks, and open to great abuses. And, notwithstanding all the laudation bestowed *on the Scotch system* of banking, I am of opinion that

—with all its peculiar and undoubted merits—though free from risk *to* the community above many others, it stimulates *risks in* the community, and is, in fact, almost founded on abuses.

And, first, will you take a glance at its foundation? So many persons, more or fewer, possessing some capital, fixed and floating, deem that it will be a profitable speculation to form themselves into a banking company. I believe there was no legal obstacle to any parties doing this previous to the recent Act of the late Sir Robert Peel. The case is now different—he having introduced a very needful, and, so far, salutary check on such proceedings. Formerly, however, any number of parties might unite, form themselves into a banking company, and issue notes. The capital was raised by shares, of which a certain number, more or fewer, is held by each of the partners. Of this capital, in many cases only a portion is required to be paid up, but the bank is entitled to issue notes to its full amount, provided a circulation can be forced or found for them. From those whom they accommodate with these notes they of course charge interest; whilst of that portion of the nominal capital of the bank thus allowed to remain in their hands, the individual shareholders have still the possession and the use; it subserves the same purposes that it did before they became shareholders in the bank, and makes to them the same return; but the notes of the bank which represent this capital—which are issued on the faith of this capital—make a return too, the shareholders derive interest from them as well, while enjoying a return from the part of the capital they represent, and which remains, indeed, in their own hands. And thus, whilst every other party in the community has only a single return from his *capital*, the banker has a double return from his. And

thus the interest they derive from the notes in circulation—representing capital still in the individual use of each partner—becomes a tax on the poverty of the community. This has been clearly shown by Mr. G. Combe. True it is, the risk they incur in lending to the community must be set off against this double profit; but the banks are themselves main agents in creating those risks. The great number of rival establishments in Scotland (in the same town even), and represented by branches and agencies throughout every district of the country, induces a competition for business. Each establishment, in order to push its notes into circulation, is induced to accept customers it would in other circumstances have repelled. Many instances of this will be fresh in the recollection of all.

Various schemes have been propounded for the remedy of these evils, and the recent Act of Sir R. Peel, much as it was exclaimed against, has operated as a considerable check on some of them, as is seen in the more cautious extension of credit now than some time ago. Still I am deeply convinced that the whole system of a plurality of banks of issue in a nation is vicious; and that, if we must have a paper currency, there should be but one bank of issue, and that not only under the direct control of the government of the country, but identified with it; statistics, as accurate as the case would admit of, taken from time to time, of the amount of exchangeable commodities in the country, being used as data for determining the amount of issues. Provision, of course, would require to be made by a fundamental law of the State, that no change of government—nothing short of utter anarchy—should affect the validity of this medium of exchange. A permanent guarantee to holders of such paper money might be *found in the Crown or State lands, beyond the value of*

which the issue of paper should never extend. On such a system, the interest currently charged for accommodation by our banks would go to form no small item of the public revenue.

If the accommodation afforded by our banking system, or, in other words, if our currency paper could be restricted in its use to the facilitating the production of permanent utilities, then it might subserve an important purpose in the distribution and application of the saved fruits of industry. But no means have hitherto been applied, or even discovered, for effecting this; and both our banking system, and the constitution of society in this country, render their application all but impossible. You cannot confer on me the power of producing permanent utilities by accommodating me with a bank credit, but you confer on me the power of using the capital thus placed at my command, if I so please, and if my fancy or caprice suggest, in the production of what are not permanent utilities—in the production of what may not be utilities at all. Nay, you cannot prevent me, if I so please, from consuming a portion, or, perhaps, the *whole* of it in perishable objects—on articles of dress, of diet, or of decoration—and which I could not otherwise have obtained. Without this accommodation-paper, I must have parted with my stock, in order to have obtained these, and I would have seen, and, indeed, felt at once what I was about; but this paper enables me to retain possession of my stock for the time being, and to consume it too. Without these facilities of credit, persons must have been content to labour till they had *earned* a capital, or have been indebted to some friend or neighbour for the loan of so much money to have aided them in commencing business on a small scale, or in stocking a small farm. Generally speaking, such credit would

have been on a more limited scale, or would have been advanced with much more caution than bank credits have often been. Many would thus have been obliged to be content with labour who get into business, as things now obtain; and there would, in consequence, have been much less of fierce and ruinous competition in business than this country is now afflicted with. But of this more by and by.

And this brings me to another very important principle in national finance, and one deeply affecting national welfare, which is, that the extent to which promissory paper obtains in a community, constitutes one of the elements which go to determine the price of commodities. You have seen that the use of promissory paper originates in parties feeling the want of commodities for which they do not possess disposable commodities to give in exchange. The more such wants are felt—when accommodation paper is called into existence as a means of obtaining their supply by those who could not otherwise obtain such—a corresponding demand will be created which would not otherwise have arisen, *or would not have arisen for the same commodities.*\* A natural demand for commodities arises, when I, for instance, have something I can spare, to give in exchange for something of which I feel the want. A factitious demand is when I give a promise to pay—an I. O. U., when I have no real commodity to give. According, then, to the amount of promissory paper in commercial use, the price of commodities that may be in demand, or for which there may be a taste, will, in the first instance, rise beyond what it would otherwise have been; and the demand will draw enterprise and

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\* *The importance of this distinction will appear in the sequel.*

capital to their production, to an extent to which these would not otherwise have been drawn. The first effect of this will be, that these commodities will be rendered more difficult to be obtained (by being made dearer) to those who cannot command such accommodation.\*

But it may be said that this demand, while it has a tendency to enhance the price of commodities, has also a tendency to enhance the price of labour, inasmuch as additional labour is called in for their production; consequently, that those who have not the command of capital, but subsist by labour, are not in a worse position than they would otherwise have been, or were in before. This would infallibly hold true, if human labour were the only instrument of production. But not only is other animal power engaged in production to a large extent, as a substitute for human labour, as society advances, but machines, as contradistinguished from tools and implements, come to be employed in production to an almost incalculable extent. Here is introduced an element of sufficient power entirely to derange the balance which would otherwise have been maintained between the demand

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\* There are three ways of consuming the products of human labour. There is consuming in idleness, consuming in waste, and consuming in order to reproduction. The able-bodied pauper consumes in idleness; he who consumes for mere pleasure as his end, without view to health, to mental improvement, or to the good of others—or who, if he seeks such ends at all, does so at an expenditure altogether disproportioned to the result—consumes in waste; the reproductive consumer is every one who makes a return in real value of whatever kind, proportioned to the value of what he consumes. My object is, to show that the extensive use of promissory paper greatly facilitates the obtaining the means of consuming in the second of these ways, and issues frequently in necessitating a large expenditure in the first; whilst ultimately withdrawing from, rather than conducting, expenditure into the last channel.



for commodities and the remuneration of human labour. By means of machinery human labour, in many cases, is superseded, or is not required to, perhaps, the thousandth part of the extent it would otherwise have been.

In order to sufficient clearness of apprehension here, it may be well more particularly to advert to a distinction in political economy we already more than once have had occasion to refer to, and by which all the products of human labour and ingenuity range themselves under two divisions—that of permanent, and that of perishable utilities. As has already been noticed, permanent utilities embrace much the same objects as are otherwise included under fixed capital—*e.g.*, agricultural improvements, buildings, machinery, ships, railways. Perishable utilities, again, embrace all such objects as, for instance, articles of apparel, diet, drink, decoration. Now it needs but a glance to perceive that it is into the production of the latter, or rather of a portion of the latter, especially, that machinery enters by far most largely as an instrument. Agricultural improvement, building, mining, ship-carpentry, are still chiefly performed by manual labour. There may be considerable improvement in tools and implements, but there has not been, and, from the nature of the case, can hardly be, in these operations any such application of machinery as shall supersede, or even greatly abridge manual labour. It is very far otherwise in the production of perishable utilities. In the manufacture and preparation for use of articles of food and drink, machinery has greatly diminished human labour; but it is in the manufacture of articles of clothing and decoration that it has superseded such labour to incalculably the largest extent. It is to the *production of textile fabrics* that there has been out of

sight the largest application of mechanical power. From this have arisen at least two very marked results. First, an immeasurably increased production and ultimate cheapening of such articles; and secondly, the great reduction of the remuneration of the human labour applied to their ultimate accommodation to use. Needlework is not performed as yet by machinery, though we occasionally hear amongst transatlantic wonders of inventions for that purpose. But those who but for machinery would have been engaged in spinning the yarn and weaving the cloth, are now thrown on needlework, in addition to those who would naturally have been so, and inflame the intense competition for employment in that form. More than this, the cost of accommodating to use must not be out of all proportion to the cost of producing those fabrics. And hence the crushing competition in the tailoring and mantua-making trades is taken advantage of to grind down wages to the lowest possible pittance. Hence the appalling condition of those London needlewomen of whom we have recently heard so much, what is called the sweating system amongst tailors, by which work is contracted for at the large merchant-tailors' houses by a sort of middle-men, and then let out by the piece at the most miserable pittance to the working tailors, some half-dozen or half-score of whom will sit cross-legged for fourteen hours a-day on benches, in a miserable garret of some dingy ill-ventilated court.

But from this disproportionate application of machinery to the production of the class of objects in question, there flows another important, though less direct result. The immense cheapening of such articles tends to induce a vastly increased consumption of them, as a much greater quantity can be obtained for the same money than could otherwise have been. The memories

of some of my hearers will be able to supply an illustration of this in the case of cotton goods of all kinds. Add to this, that modern art has made such fabrics decorative; and the mass of mankind having a taste for decoration, it can now be gratified at incomparably less expense than it could have been in the days of our grandmothers. Thus there are presented the strongest temptations to all classes, and the lower class especially, to devote their earnings to articles of personal decoration.

And here you will not have much difficulty in seeing how the extensive use of promissory paper, as an instrument of exchange, acts in facilitating the obtaining of such articles to many who would otherwise obtain them in much more limited quantity. Without such an instrument, people could only have exchanged commodities for commodities, as I have said before, one disposable fruit of labour for another (for labour enters as an important element into the value of the precious metals as well as into that of other commodities). But now, having, by the use of such an instrument, acquired the means of retaining possession of commodities, and yet using them (in the shape of this representative) in payment of other commodities—the power of retaining our fixed capital, and yet obtaining the value of it in perishable utilities, if we please—it is evident we obtain a command over these to an extent to which we could never otherwise have done. If people could only have obtained such commodities as they might feel a desire for, for other commodities which they had to spare, it is evident that many would have had to put up with drab or linsey-woolsey, who are now clad in silks and superfine broad-cloth. In this case, a large amount of such commodities would never have been called into existence; and society

might have presented less *appearance* of wealth, but would in reality have been so much less in debt; for the amount of paper in circulation indicates the value of the commodities purchased by the community with borrowed capital—in process of consumption without being paid.

By the use of promissory paper, people gradually settle into the delusive impression that they are buyers, when they are merely borrowers; or in lieu of payment, are but handing round a promise to pay. Who, in such circumstances, will have the greatest command of commodities? Those who, by whatever means, can obtain the greatest amount of those promissory notes; because by these, however obtained, they acquire the command of commodities to the amount of value these notes bear, which they of course can use or consume in whatever way they please.

But as nothing is obtained without labour, or the application of machinery, the fruit of labour, everything must be paid for some time by somebody; the real price of everything eventually must be paid, that price representing, in general, the amount of labour, proximate or remote, entering into its production. Against that amount of labour, a corresponding amount must have been performed somewhere, in order to make a veritable exchange. And if one obtains the fruits of labour for that which is itself no fruit of labour—for what is but a promise to give a real commodity some other day—it is evident this promise must be fulfilled, or somebody will be stranded on the shore of destitution. Promissory paper will neither feed nor clothe anyone. Even as an instrument of exchange, its power must be limited by the amount of the supply of commodities to be obtained in exchange for it; and its very acceptance as such an instrument is based on

public faith in the abundance of real capital guaranteeing it. But if I, for instance, consume commodities without performing any corresponding labour, or giving any real fruit of labour in return, somebody else must give it, or the stock of commodities will become so much less by the amount I thus consume. But the acceptance of promissory paper does enable many to consume without any corresponding production of utilities to the community in return.

Machinery, it is true, relieves a large amount of human labour. Still human labour enters as an element into the value of the products of machinery; both inasmuch as it is demanded in order to the construction and erection of that machinery, and as it is associated, more or less, with its productive action. It may be much cheaper to thrash with a thrashing-mill than with the flail, still persons are required to feed it, and to battle the straw, and take away the grain, over and above the original cost of the machine. Human labour enters into the production of every marketable article; the value of that labour is represented by the price of the article; and what I say is, that that price must be paid by somebody. Promises, like thanks, will feed and clothe nobody. The ultimate fruits of living by a mere system of promises to pay, may be illustrated by a story I have heard of a blacksmith, who must have been something of a political economist in his day. What with trimmer-headed\* ploughs, and no wheel-carriages, there was much less smithy work required by farmers in those days; and some parties, thinking the value of the jobs they required done so trifling as hardly

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\*<sup>‡</sup>Wooden-headed—that part technically called the “head,” now made of iron, having been, seventy years or so back, made of wood.

- to demand payment, were in the way of just thanking the blacksmith for his labour when they left the smithy. The smith found—as I believe everybody else has done in this world, who has had the misfortune to need to try it—that he could not live on thanks; and, like a wise man, deeming illustration to be, with the mass of men, much more impressive and convincing than argument, he adopted an illustration to convince his employers of this. He took his cock, and tethered him in the smithy, and when anybody thanked him for a piece of work he had got done, the smith bade him throw his thanks to the cock. The cock, poor fellow! got nothing else, mind you; and, in process of no long time, the cock, of course, died. He could not live on mere thanks; and as little will any one live on mere promises to pay, handed round by idlers; the burden of working out the real payment will fall somewhere, and it will be grinding in proportion to the comparative numbers of those in a community who contrive to shift it from their own shoulders by whatever means.

Now the great evil attendant on the extensive use, on its present basis, of promissory paper is, the utterly unfair distribution of the fruits of labour which it tends to induce. By means of it, many acquire and consume commodities for which they give no real equivalent. Through the easy good-nature of their friends—through the competition of rival banking-houses—persons possessed of little or no capital of their own obtain accommodation. They set up in business, sell below prime cost to draw custom, and obtain a run. They must make a respectable appearance; they, consequently, consume a good deal, and produce nothing. The public did not require them as a medium of exchange; the substantial and honest trader is injured by them; and,

in the course of a very few years, they become bankrupt, and yield a dividend of perhaps a few pence. Or, mayhap, they open spirit-shops or low public-houses—tippling-houses more properly—tempt the frivolous and thoughtless to fall into drinking habits, and spread demoralization over neighbourhoods. Or they become cattle-jobbers, “swine-coupers,” swallow immense quantities of whisky, ride some half-dozen poor Shetlands\* to death, and, in nineteen cases out of twenty, land you all know very well where. These are some of the fruits of facilities of credit daily exhibited under our own eyes. Some of these callings, even with ample means, could hardly be regarded as legitimate ones in any community pervaded and regulated by a high-toned morality; but they fall in with the temper of the times, which sets down as the cleverest man him who with the minimum of exertion can secure the maximum of acquisition, without much reference or care as to how any one else may suffer in the process.

But these are but isolated and comparatively insignificant devices for securing this most enviable object. Our era has had the fortune to witness an embodiment of this great guiding principle of modern trade, such as has distanced all competition. In the form of railway scrip, the paper system reached its ultimatum. By means of some puffing advertisements, and the exchange of a few pen-scratches, many rose to princely fortunes in a day—without personal exertion, without inheritance, without invention, save a little of the baser cupping kind. It was the real El Dorado reached at length, could it only have been held possession of in perpetuity. Ah! but there was the rub. Paper fiction carried to the utmost limits, cooked

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\* Ponies of the Shetland breed.

accounts, expenses charged on capital, all sorts of devices for raising the wind, as the slang is, could not stave off the day of refunding long. Railways, it is pretty obvious, could yield no return to any one until the rails were laid, the working plant set on, and goods and passengers conveyed from place to place. But in order to that, there was called into requisition a vast amount of human labour, which could only have been sustained in this new enterprise without tightening and distress elsewhere, by an equivalent accumulation of the saved fruits of previous labour. We, who farm here, could not cultivate the ground for another crop if we had not the corn of a previous one to live on the while. But the railway speculators thought not at all of this. Not only did agents, attorneys, writers, draw unprecedented fees in all directions, but hundreds who the day before had scarcely one coin to clink upon another, set up splendid establishments, purchased gay equipages, gave expensive entertainments, revelled, in short, in all the apparent fruits of ever-increasing and inexhaustible wealth, and that ere ever a shovelful of earth had been lifted or a stroke of a pickaxe given on those lines, by trading in the scrip of which they had realized such fortunes. These transactions exhibit the ultimatum of promissory paper. These men had never paid anything beyond the first instalment, fifty or five hundred shillings in as many pounds, and the most part of these often borrowed—as much as supplied the lawyer's fees. For all the rest, the scrip which was bought at premiums of 20, 50, 100 per cent., on which such fortunes were made—from which such genii palaces arose—was merely founded on a promise to pay. Persons who bought scrip in this stage, in their wisdom gave fifty or a hundred pounds for the privilege of being allowed to hold so many shares in



those envied lines. Only five short years\* have elapsed since this fever was at its height, and you need not me to tell you what has been the result, or in what repute scrip is held now. So shall and must every falsity perish. But who shall calculate the mischief and the misery to thousands of the dependent classes attending the decadence and extinction of so huge an imposture! Need we wonder there is so much distress and destitution? Nay, should not we wonder rather that there is not much more? What an impression is it calculated to give of our industrial resources if anything like well economized and applied, that we can hold on as we do amid such tremendous abuses and such extended wasteful application of their fruits!

But to proceed. You have seen that it is into the production of perishable utilities that machinery enters most largely—out of all proportion most largely as an instrument. Hence perishable utilities are cheapened out of all natural proportion to permanent utilities. The taste for the ornamental inherent in our nature is stimulated and fed in all possible ways in the getting up of these; almost all articles of clothing are made decorative. Gratification of the taste for ornament is brought within the reach of almost all who are able to earn wages by work. The extensive use of promissory paper increases this facility of obtaining such articles, as it puts into the hands of many what is accepted conventionally and legally as a price, who would have had no real commodity to give; and, consequently, in great measure, at least, would have had to want such articles. Such tastes are contagious, and they have taken wide and extended hold of the working classes. How much of the fruit of labour is thus

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\* This lecture was delivered in 1850.

consumed in a time when labour in these parts has been peculiarly well paid, it is becoming rather alarming, to those who look forward to the future, to think of. I do fear that, in the great majority of instances, all that is earned by the young is so consumed. And in that case, if pauperism be advancing at such an alarming rate now, what will it be when the young of this generation become the old?—a generation the great majority of whom seem never to think that they are to become old, or that any provision should be made in youth for seasons of sickness, for family life, or for the debility of old age.

In consequence of the great demand created through the operation of these causes for the class of articles in question, for textile fabrics, for articles of decoration, and for those of habitual factitious indulgence, a great amount of capital is invested in their production; but they, being, as you have already seen, greatly the product of machinery, there are few hands employed in proportion to the amount of that capital. Hence many evils, of which I can only stay to note two or three of the most prominent. As I have just said, compared with the amount of capital invested, there is little human labour called into requisition; there is therefore little remuneration to human workers compared with the amount of the product. A small portion of the population, therefore, obtains the means of living therefrom. Moreover, a great proportion of the staple, as in the case of cotton and silk, is the production of foreign countries, therefore does not afford labour at home, but requires labour abroad, which must be paid for. This, of course, has to be set against the labour we perform for foreigners, for which they have to pay us; but as this is chiefly of the adaptive kind—*machinufecture*, to adopt a recent rather happy coinage of a word—it calls in little human

labour compared with what the production of the new staple we import does. Hence arise, in countries like ours, a main source of whose wealth is in manufactures—those two great evils, intense competition in business and labour, and unequal distribution of the fruits of productive power. Machinery relieves many thousands of operatives that would else have been required, but does it give them any share in the value of its products? Only when they come as paupers on the community. There is no independent ground on which they can share in the benefits.\* These accrue to the capitalist who owns the machinery, and who is too often but a seeming capitalist. For here paper plays a conspicuous and essential part, so much so, that every periodical stagnation in trade brings with it what is rather aptly designated a crash, which reveals many of those great houses whose partners emulated the aristocracy in their style of living, to have been, in great measure, based only on paper. Do we quarrel with machinery, or say it has been the direct source of evil to society? Far otherwise; it is a noble boon for setting many human workers free from the monotony and confinement of manufactures to other avocations.

Compare with these the production of permanent utilities; what an amount of human labour that calls into requisition. Look at the number of hands employed in effecting agricultural improvements, in reclaiming waste lands, in drainage, in the erection of buildings. In the article of building, for instance, it is doubtful whether we use as much mechanical power as was in use in the days of the Pharaohs, or when those wondrous temples of Baelbec were reared. Do we regard it as a good that human labour should still to a large

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\* Note B.

amount be called into requisition? Yes, certainly; and, other considerations apart, so long as the mass of mankind can earn or obtain their subsistence honourably and independently, no otherwise. That human labour could be so largely dispensed with in some directions, were, no doubt, a subject of congratulation, if the labourers which machinery displaces could be made sharers in the products; but so long as they can be so merely in the capacity of paupers, or receivers of an eleemosynary dole, we consider those the true benefactors of their country who apply their capital so as to furnish work for human hands. But the tendency of social tastes and of applications of property has prevalently been the other way.

And this brings me at length to the second great cause of the evils which afflict modern society—wasteful consumption. Of this, I can only snatch one or two hasty illustrations.

Take the case of a proprietor of land in the predicament already referred to. He keeps a stud, or a pack of hounds; he passes the gay “season” in the metropolis, gives expensive entertainments, patronizes opera artistes, one of whom will draw a salary which would pay fifty or a hundred day labourers. Thus he expends the revenues he derives from his land, instead of living at home and applying a proportion of it in employing navvies to thorough drain his estate; masons, carpenters, slaters, to build suitable farm-steadings for his tenants, and comfortable cottages for the labourers on it. In the light of the economic principles I have been endeavouring to evolve, what do you think of such a man? I am not here to excite any feelings of hostility in class against class, but as little am I here, I hope, to gloss over the truth or call things by false names; and I am compelled to say that such a man is a waster of

the nation's precious substance, and a wholesale manufacturer of paupers. For, observe : those whom a fair share of his proportion of the produce of the soil would thus maintain and call into action as labourers, in the improvement of his estate—in the erection of buildings—in the rearing of cottages—when they cannot find employment as agricultural labourers, or as rural tradesmen, are driven into the towns, are induced to open small shops, and thus aggravate the already fierce fire of competition ; or they learn some trade in which there are already far more hands than can find remunerative employment. They are pent up in dusty workshops, they are crowded into dingy garrets ;\* and thus waste their cheerless and almost hopeless lives—the sons of fathers who enjoyed each his snug croft or small farm ; men who in their boyhood romped over the “broomy knowes,” or chased the minnows in the upland burns, and who themselves might have found employment for their manhood and food for a hardy and healthy offspring on the same soil, had my lord been a little less devoted to what are called “manly sports,” or my lady a little less fond of gay life. Then, instead of being turned into supernumerary makers of clothes, they might have been abundant wearers of them, as all agricultural workers are ; and their sisters, instead of swelling the numbers of distressed needlewomen, might have been set down on many hillsides now barren, or yielding only whins and heather—thrifty housewives, not inexpert at the needle either, but striving each to

“Gar auld claes look a'maist as weel's the new.”

We should in such a case probably have had fewer large farms, and much fewer complaints as to the

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• Note C.

deterioration of farm-labourers as a class;\* and why? for one main reason, because they would have stood out much less distinctly as a class—blending with the small farmer, from which many of them were sprung, and to the condition of which many of them, by industry and saving, might, under such an agrarian economy, have aspired. But in many districts, as things are now ordered and amongst others on domains almost within the sound of my voice to-night, there is a great gulf yawning between them and all such aspirations.

But are landlords alone implicated in wasteful consumption? By no means. Though they have been the leaders; at less or greater distances, we have all been following them—and to the producing of the same disastrous social results. How many in all classes are poor—become bankrupts, indeed—because of the habits of expense they allow to grow on them. How many a one has the indulgence in strong drink made to go hatless and shoeless, and coatless, and even shirtless, yea, brought to a premature grave—leaving, probably, a widow, and half-a-dozen orphans on the poor roll, or in the workhouse. Some of my agricultural friends will tell me they have helped to consume our grain, but, if they had lived twice as long, and kept their families in the enjoyment of plenty and in comfort by labour, they would have consumed more, in the legitimate form of food, than they have done in drink, whilst they would have helped to employ another class of the farmer's best customers—the manufacturers of broad cloth, of hats, of shoes, and of shirts, and made shoemakers and tailors rejoice in increasing business and in better wages, whilst as they acted they only encouraged the distiller and the dram-seller, the one of

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\* Note D.

whom was, with all his might, destroying God's good gifts, and the other, God's rational creatures. I might descend to other examples of waste in which millions' worth of the products of the earth and of human labour combined, annually vanish in mere smoke, and in consequence of which and other forms of waste, many a one is on the parish in old age who might have had a fund accumulated for his independent maintenance. I might hint to my fair young friends how much better it were to put a shilling in the savings' bank than some flaring bouquet beneath their bonnets, in the vain attempt at adorning what the poet has pronounced to be,—

“When unadorned, adorned the most.”

But if the principles I have been endeavouring to lay down have taken hold at all of your convictions, you will be able yourselves to follow out many such practical applications ; and I must hasten on to name, and I can do scarcely more, the third great cause, as I apprehend, of the evils of Modern Society—

The distaste for, and disrepute of, labour. Wealth, and the usual indications and concomitants of wealth, command respect from the classes who are held to be the dispensers of honour. Wealth, and the appearances indicative of it, more readily than anything else—more readily than any purely personal qualities or acquirements—secures admission to what arrogates to itself the title of “good society.” Manual labour is a slow process for acquiring such wealth. By mere manual labour alone, it were hopeless, during a lifetime, to aim at acquiring it in quantity sufficient to secure the envied object. More summary methods of acquiring wealth, or of commanding its appearances, must, therefore, be *tried*. *More than this*, the very fact of being engaged

in manual labour, stands as a barrier against being admitted into good society. Society is good—because, for one main reason, it stands exempt from, and far above, the necessity of work. The best society deems even business a contamination. Work is, therefore, branded as a degradation from which all who would be in any measure genteel must endeavour somehow to escape. And who would not, if he could, be genteel? Then some do rise quickly to wealth and station by those summary methods; and as we are always much more ready to fix on the successful singularities that fill the world's eye, than on the horde of failures quickly forgotten; prompted by self-love and self-esteem, the feeling rises, "As some have got up by such methods, why should not we?" So men are drawn to the gaming-table; so have they been lately, in thousands of instances, into the trade in railway-shares; so, as we descend, we find them become cattle-jobbers, open grocery-shops—become even pedlars, if they can get into nothing higher, lured by the hope (chance, should I not rather say?) of making gain more speedily and more easily, and more genteelly—they seldom ask, I fear, whether more honestly—than by the slow, plodding course of manual toil.

And the fierce competition in many occupations, it must be confessed, drives to many shifts; but that competition presses much more in towns than in these country parts, in which, to the native population, labour for some time past has been abundant and well-paid. I believe that, notwithstanding the supineness, selfishness, or devotion to mere pleasure and extravagance, of the superior classes, the fortunes of the labouring classes in these rural districts are very much in their own hands. Nay, that they are so in consequence of the extravagance of the superior classes.



“God helps those who help themselves;” and if you persevere in honest labour, and practise rigid economy, you will—you must—in due time rise to fill the place of those who are linked to extravagance; for, in spite of all human—all possible—devices to the contrary, by the eternal laws, bankruptcy is the end of all extravagance at last. If landlords, instead of building comfortable houses for you, will, as the majority have hitherto done, waste their revenues on the turf, at the gaming-table, or in keeping up expensive establishments; most of you have the opportunity of, some time in your lives, saving what will enable you to build or purchase houses for yourselves. But if you will not economize—if you will consume as fast as you earn, while other classes go on to consume even faster—what shall I say for my country? what can I say, but that she is destined to perish, as every other great nation has done, not only in spite of a combination of endowments and resources such as no other nation ever possessed, but in very consequence of the abuse of those endowments and resources?

# SOCIAL ECONOMY.

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## A Lecture.

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THE subject on which I have undertaken to address a few thoughts to you this evening, is not only very extensive, but somewhat indefinite. Such being the case, it will be desirable, at the outset, at once to ascertain and to limit the field of inquiry at which I am to glance. And, first, I have to observe, that economy, in every aspect of it, has relation to wealth—to what man has produced, given value to, or enhanced the value of. Wealth with the economist includes everything which is produced, or accommodated to man's use, by man's inventive powers and man's labour. And this element of wealth enters as an essential constituent into many public questions which seem at first sight mainly of a different character:—*e. g.*, the educational question of these days is a question whether so much of the national wealth should be publicly set apart for the maintenance of teachers and of school-houses; the question of Church-establishments, whether so much wealth should be set apart by the nation for the maintenance of a clergy.

Viewing all economy, then, as having to do, under

some aspect or other, with wealth, I have next to inquire, what special domain of this science, or rather congeries of sciences, is comprehended under social economy. Roughly, economical science may be thus portioned off. Political economy is concerned with the production of wealth ; individual and domestic economy, with the *use* of wealth ; and social economy, with the distribution of wealth. More strictly, however, social economy may be regarded as having to do with the distribution of wealth only so far as that is affected by social arrangements and public laws ; whilst those laws of human nature, affecting its distribution, which have their operation independently both of individual conduct and the social will, find the proper place for their investigation in the science of political economy. Social economy is thus a main branch of that great modern science—sometimes called sociology, and sometimes simply the social science—which deals with the agencies and laws which influence the progress and evolution of man in society ; those agencies and laws which affect social progress and social weal.

I need hardly say to you, that this is the youngest of all the sciences ; that it is, in fact, the science of to-day—a science which, at this moment, is engaging a greater amount of earnest moral purpose, and patient thought, and intellectual power, and benevolent impulse, than any other science, if not than all others put together. Nor can the attention well be disproportionate. In all ages, it has been true that

“ The proper study of mankind is **MAN** ; ”

but, in this age, necessity has been laid on us to investigate and ascertain the laws and conditions which govern

social weal, if we would escape the gulf of social anarchy and social dissolution.

In regard to the distribution of wealth, two great and antagonistic tendencies may be observed at work at the present time—the tendency to individual accumulation, and the tendency to an equalization of possessions. Up to a very recent period, throughout the whole of what we may call the industrial era, the tendency to accumulation has been by far the strongest, and our laws and social usages have, in great part, been designed and adapted to promote and fence such accumulation. Not only have the great landed properties been fenced by laws of primogeniture and entail, and the natural increase of the value of such property in a country advancing in commerce, manufactures, and population, been enhanced by means of corn and provision laws; but, not unfrequently, in the great marts of commerce, men have become the architects of their own fortunes, and have, in a lifetime, accumulated, perhaps, half-a-million of money by adroitness in business, or far-sighted speculation; and we have been such worshippers of wealth, that such men have been not merely objects of great respect and admiration, but even of reverence.

Were it within the power of the great body of the people to obtain a competence by fair exertion, one perhaps would be little entitled to quarrel with some gigantic accumulations; but a social state, in which only a few are ever becoming richer, and many poorer, and in which the majority of the middle-class can barely maintain their standing by a life-and-death struggle, is certainly adapted to raise the question, whether immense accumulations of property are, in a densely-peopled country like ours, compatible with

social welfare. When, especially, we contemplate the progressive depression of such large masses of the people in our times, we need not wonder that the most fundamental questions as to property have been raised. Nay, when we review the fearful wrongs to which the masses have been subjected in every European nation—the iniquity which has obtained in social usage, and been “established by public law”—we will not feel very much surprised to find that, what we have been accustomed to regard as the corner-stone of civilization—the institution of private property—has been assailed with a vehemence which has sought its ultimate expression in the tremendous aphorism of the great French Socialist, Proudhon, that “Property is theft.”

Property has been accumulated to an immense amount, and powers of production altogether unprecedented are at our command, yet many are in utter want, and many can hardly obtain the barest means of subsistence by the most desperate struggles; in these circumstances, the question of the distribution of wealth, as connected with the public weal, has not only become a pertinent, but an exigent question.

But even though all the healthy and industrious poor could, without difficulty, by their own exertions, procure the means of a comfortable subsistence for themselves and those dependent on them, it were questionable whether the accumulation of immense masses of wealth in the hands of individuals were really for the public good. Such accumulations are calculated to carry with them an undue amount of power into the hands of their possessors; they exempt such from the necessity of an industrial training, from the necessity of useful employment, and tempt to an expenditure both of personal

energy and of property on useless and debasing objects. But we have no such favourable economical conjunction to deal with. In fact, I doubt much whether any such could obtain. I am strongly inclined to think that an idle and wasteful aristocracy at the summit of society, projects a crushed and miserable pauperism at its base, almost as surely as, in electricity, the positive involves the negative pole.\* Whilst, on the one hand, I believe that in no generation are there more people on the earth than there is provision for, if the productive resources at their command are developed and economized ; on the other, I am equally convinced that God never confers resources on any people for waste or abuse. In other words, I hold that, in every stage of civilization, the resources of a community will be found adequate to the wants of its current civilization—physical, mental, and moral ; but if there is waste in one compartment of society, and if, by social arrangement or public law, the want which is the natural result of waste, be averted there—it will inevitably light somewhere else ; if a numerous aristocracy are idle and profuse, a far more numerous poor will be found crushed and destitute. God does not bestow with a niggard hand, but he bestows for use. All the processes of nature are reproductive ; no particle, under his economy, is lost or destroyed. More than this, all the processes of nature are progressive ; there is a reproduction ever into higher grades of being. The action of the air, the frosts of winter, the actinism of the sun's rays, disintegrate the bare rock ; lichens begin to cover it ; the rain washes down the loosened particles and the

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\* Note E.

decayed moss ; a vegetable mould is formed, which, as the coarser and less useful plants grow and decay upon it, gradually becomes prepared for producing grass to nourish cattle, and pulse and corn to be converted into the bones and muscles and sinews of man. The healthful progress of communities should be cognate; as civilization and command over the resources of nature advance, reproduction should become conversion, to a large extent, into higher uses ; our national powers should be more and more converted into instruments of intellectual culture and moral elevation.

In regard to the distribution of wealth, substantially four courses are open to a community. To promote and fence large accumulations in the hands of individuals by means of social usage and public law—by law to restrain accumulation and compel distribution—to leave the distribution of wealth free, like its production, to the spontaneous operation of social forces ; and, lastly, to make the distribution of wealth entirely a matter of social arrangement according to one or other of the schemes of communism.

If society were what we should wish to see it, perhaps the third course, that of leaving the distribution of wealth entirely to the operation of spontaneous social forces, might be the best. If men universally had a just appreciation of the value, the relative uses, and the highest ultimate purpose of property, its distribution might be left entirely to the spontaneous exercise of their sense of justice, piety, and public spirit—that, however, would be a state of society in which there would be very little use for civil government at all. In no former age has any community ever been found in such a state of enlightenment and moral elevation ;

and we fear, that all the boasted progress of society is far enough from having brought any community into such a condition even now.

Until men generally become actuated by more enlightened, purer, and nobler motives, we may assume, then, that the public weal will demand as indispensable some regulation of the distribution of property, and I shall now have to inquire on which of the three remaining schemes, indicated above, that regulation should mainly proceed.

As to the right of society, within very wide limits, to regulate and determine by its collective will the distribution of property, I agree very much with John Stuart Mill—"The distribution of wealth," says he,\* "is a matter of human institution solely. The things once there, men can do with them as they like. They can place them at the disposal of whomsoever they please, and on whatever terms. Further, in the social state, in every state except total solitude, any disposal whatever of them can only take place by the general consent of society. Even what a person has produced by his individual toil, unaided by any one, he cannot keep, unless it is the will of society that he should. Not only can society take it from him, but individuals could and would take it from him, if society only remained passive; if it did not either interfere *en masse*, or employ and pay people for the purpose of interfering, to prevent him from being disturbed in possession. The distribution of wealth, then, depends on the laws and customs of society. The rules by which it is determined, are what the opinions and feelings of the

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\* Political Economy, vol. i. p. 248.



community make them"—often hitherto rather what the opinions and feelings of those who have power in the community have made them—"they are very different in different ages and countries; and they might be still more different, if mankind so chose."

The embodiment of the will and collective force of society—in other words, the civil government, is not then to be the mere guardian of acquisitions, howsoever acquired or used—though that is all the function which would be accorded to it by those who are loudest in clamoring about "vested interests," the sacred rights of property, and so on. Fortified by the highest authority, I assume the full right of society to deal with and determine the distribution. But there are two great principles on which the interference of society with the distribution of property should be regulated—the first is justice, the second the public good. You may ask, will not the first induce the second? Generally I believe that it will. But then there may be cases when what would seem, according to our habitual and hereditary notions, to be justice to individuals, must yield to the public good. The ultimate object of government is the public benefit, to which the interests, and even what may be conventionally regarded as the rights, of individuals must often yield.

The essential idea of private property according to Mr. Mill, is this—"The right of each to his own faculties, to what he can produce by them, and to whatever he can get for them in a fair market, together with his right to give this to another person if he chooses, and the right of that other to receive and enjoy it." It seems to me, however, that the right of a man to give *to another* what he has produced by his own labour

does not rest on the same basis of justice as his right to retain and enjoy it—that society for the public weal may, in some cases, be called on to interfere with his giving, when it could not, without gross injustice, disturb his retaining. I shall just offer one illustration. Before the Reformation an immense proportion of the wealth of this country, including a considerable part of the land, had become, by gift and bequest, the property of the Church, and of the (so called) religious houses. I have not the least doubt but such presents a clear case in which the State should interfere to prevent such mal-appropriation of the property of the community.

The idea of private property, then, includes, at the very least, the right of every man to the secure possession of whatever he can produce by the exercise of his faculties, or purchase with such produce. At this stage of our inquiry, the question so prominently brought forward in our age presents itself—Should there be such individual property? We shall therefore have first to deal with that scheme of distribution which I placed last in my enumeration—Communism. “The assailants of the principle of individual property,” says the authority already cited, “may be divided into two classes; those whose scheme implies absolute equality in the distribution of the physical means of life and enjoyment, and those who admit inequality, but grounded on some principle, or supposed principle, of justice or general expediency; and not like so many of the existing social inequalities, dependent on accident alone.” I shall not take up your time by entering on any detailed exhibition of either the one or the other of these—of Owenism on the one hand, or Fourierism

on the other ; it is enough to say that all the schemes of communism proceed on the principle of a distribution of employments by general concert, or recognised authority, and a division of produce not proportioned to individual exertion, but to presumed individual wants. You have not the choice of your employment, and you labour not for the enjoyment of yourself or your family, but for the production of a stock common to all. Examples of such associations there have been in former times on a small scale : as for example, in the Moravians, and the monastic orders ; but it is now proposed to make communism supersede competition universally—to make it the economical rule of entire communities and nations. Waiving other weighty exceptions to such a scheme, I have to remark that to me there appears to lie against it this one fundamental objection,—that it is a retrogressive step in the moral progress of mankind. The progress of mankind in intelligence, in virtue, and in freedom, has evolved, as its most marked and valuable product, the gradual setting free of the individual will, and of the exercise of the individual faculties from restraint by others—every moral advance that man makes is towards placing him under a higher guidance than that of his fellows. Intelligence and virtue confer on him the power of self-direction, and all true civilization is but the clearing of a wider space for the exercise of this high function. Under a just social economy, in proportion as a man becomes the more intelligent and virtuous, he becomes the freer, the more of an individual ; but communism annihilates the individual, abolishes self-action, and places the entire exercise of his faculties under the *direction of others*. Socialism originates in the lowest

idea of humanity—that which regards its physical wants as the most important. Though it were to succeed (which I do not believe 'it could) in obviating destitution and abolishing social suffering, the boon would be purchased at a price which no true man would consent to pay—at no less an expense than the destruction of everything deserving the name of virtue, by precluding all opportunity of it. The best economical condition of a community for every high moral end, as I conceive, would be that which allowed to every man scope and power, by the exercise of provident habits and self-control, to emancipate himself eventually from the direction of others, and become the arbiter and master of the application of his faculties and bodily powers. The structure of society fails of its highest ideal, in proportion as it precludes men who have competence for such self-direction from ever achieving it. But communism would render this to all for ever impossible; under it no man could become his own master. By no amount of exertion could he achieve this independence, the aspiration after which is so natural, and, I am inclined to think, so ennobling a sentiment, in the breast of every true man. Whatever, then, might be the economical fruits of communism, and taking human nature as we find it, and subjecting it to such a regimen, I dare not rate these high; whatever I say might be its economical fruits, it would be a great step in moral retrogression. It would reduce society much nearer to a piece of mechanism than a body moved and held together by the free play of affections and voluntary powers.

I would not, however, be understood as implying any very severe censure of such small co-operative

societies as the "Working-Tailors' Association," the "Needlewomen's Association," and similar clubs, so zealously promoted and advocated by the author of "Alton Locke" and Professor Maurice. A few individuals may combine and apply their labour, as a few individuals may combine and apply their capital. It were a very different matter so to combine and arrange the labour of a nation. Our tremendous social evils have led these and other benevolent men to advocate such schemes, but experience must, I am persuaded, soon convince all unbiassed observers that we will have to look in other directions for an effective and generally applicable cure.

But though communism be proved incompetent to secure the objects at which it aims, it will not follow that the distribution of property, which has been promoted and fenced by our social usages and public laws, is conformable to justice, or consistent with the social weal. Communism may be one extreme; for long ages we have aimed, and but too successfully, at establishing another.

For ages we, in Britain, have aimed at the accumulation and perpetuation of vast masses of wealth in the hands of individuals. We have done so mainly in two ways—by laws and usages affecting the production and distribution of money, and by laws and usages affecting the tenure and occupancy of land. On the inquiries which would be raised by an elucidation of the first of these facts, it is impossible for me this evening to enter. Great part of a lecture I delivered last July to a neighbouring Class, was occupied with these inquiries; to resume them here, though it might be important to my general object, would be unendurable by your patience. In these circumstances I must

content myself with merely remarking, that in specifying our laws and usages affecting the production and distribution of money as promoters and fences of accumulations of wealth, I refer to our banking system, to paper money, and to the prevalence of credit in business transactions ; the quintessence of the whole of what I have in view may be compendiously expressed the making a promise to pay perform for a time the function of real payment.

The credit system may be viewed as so far an instrument for the distribution of wealth, and no doubt it acts as such amongst those who can obtain credit ; but the poorest class, and that a very large one, cannot obtain credit, or can do so only to such a limited amount, and at such exorbitant rates of interest, as must keep them ever poor. Mr. Mayhew states that the ordinary rate of interest in the London costermongers' money market (those who sell fruit, fish, and vegetables in the streets, and who number with their families, in the metropolis alone, upwards of thirty thousand), the rate at which money is lent to the London costermongers is the incredible one of 20 per cent. per week, or 1,040%. a year for every 100%. advanced ; whilst the extensive merchant can double his business, and the large manufacturer treble his productive power by means of accommodation afforded him at the rate of 4 per cent. per annum. Trading or producing mainly on credit, whilst it may safely be pronounced to be ultimately the ruin of those who resort to it, yet enables many a long-headed and not over-scrupulous man to push speculations to a successful issue on which he could not else have embarked, and to accumulate wealth which his own unaided industry and skill would never have

reached a tithe of. But from the credit system the industrious poor suffer heavily in many ways ; it places them on unequal terms, factitiously unequal in the race of life ; through the frequent failures it induces, it makes them pay a higher price than they should do for every necessary of life, and in towns the extreme usury to which their purveyors are subjected is ultimately a heavy tax upon them. The London costermongers pay for the hire of barrows alone upwards of sixteen thousand pounds a year, all which and much more is added to the price of the food of the very poor in the metropolis.

With these very elementary illustrations, I must, for the present, content myself, and hasten on to inquire a little into the influence of our laws and usages affecting the tenure and the occupancy of land.

One of the great questions of the age—I would say the greatest question in social economy—which is on the eve of rising for discussion and settlement, is the *land* question. The state of Ireland—the state of our own highlands, has already demanded attention to it, and with a voice which shams and make-believes will not long put by. We have arrived at a period when this question must rise in the course of social evolution. We have passed through an era in which the primary concern has been *WEALTH*—but we are entering on an era in which the primary concern will be *MAN*. Hitherto the privileged, the successful, the dominant classes, have recked little how man fared so wealth could be produced, accumulated, and enjoyed. Man without adventitious distinctions—man merely as man, has been valued only as he could be made the instrument of producing wealth, but a new era is dawning, in which *wealth* will be valued only as it can be made to be the

instrument of the good of man—man as man—not to the good of the few, but of the many. The burden of the seer-spirits of the age is, "*Man above property.*" The objects of the two great sections of the dominant and successful class—pleasure the object of the possessors of wealth, and gain the object of the pursuers of wealth—have both been weighed in the social balance, and alike been found wanting. Honourable exceptions there have been amongst both classes, but speaking generally, for ages the possessors of wealth have been devoted to pleasure as their object, and the pursuers of wealth to gain as their object, whatever might be the social results of either pursuit. Of the successful classes, most true has thus been the saying of the poet—

"Pleasure and gain, two gods divide them all."

The leaders in the pursuit of pleasure, as the hereditary possessors of wealth, independent of all labour or useful exertion, are the territorial owners of land. As a class, the landowners have retained more than all the ancient privileges of such ownership, with a great enhancement of the original advantages, whilst the greater portion of its responsibilities and duties have been allowed to lapse, or have become merely optional. In the feudal era the head of a clan was not, in the same sense, the exclusive proprietor of territory, as the present landlord. His retainers had a claim in honour, if not in right, to be sustained on the land, or sustained by forays under his leadership and direction. His was no idle honour—no sinecure enjoyment. He was in a sense both purveyor for, and governor of, his tribe. And as the petty feudalities became merged in a central monarchy, those favourites to whom the Richards and



the Henrys of England, and the Jameses of Scotland, so scandalously gifted away the territory of the nation, yet received and held the nation's lands on the condition of military service. Every tenant of a knight's fee was, if called upon, to attend the king in his army for 40 days every year. Gradually, however, and as a natural result of social progress, vassal or feudal service in war was superseded by a standing army, but, instead of that army being paid, as it should have been, by those who held the lands on condition of rendering military service, it was maintained chiefly by taxes on the industry of the people; and which have accumulated to a load, which threatens to crush and paralyze even British energy. All that the nation now receives for its public claim on the land, is the produce of the land-tax, and that is levied according to a valuation of the land made in 1692, though the value of land since then has been quadrupled, and the taxes on the industrial community have been augmented in more than a like proportion. I am not forgetting that the land has local burdens, and, in particular, that it has to bear great part of the charge of pauperism—a burthen, the weight of which cannot but be regarded as retributive—the economy pursued with the land having contributed much to produce it.

“Give a man,” says Arthur Young, “the secure possession of a bare rock, and he will turn it into a garden; give him a nine years’ lease of a garden, and he will convert it into a desert.” Uncertainty of tenure is fatal to the proper development of the resources of the soil. But, then, fixity of tenure by no means involves the absolute property in land enjoyed by the landed proprietors of Britain. It is a fundamental

principle of social justice that the natural advantages of the soil are the patrimony of the entire community who inhabit the country, and the value of these advantages increases progressively with the increase of population. A just economy of the land of a country would be one that would secure to the other sections of the community, along with the landed interest, a fair share in the increased value of the natural advantages of the soil. An economy of land which gives one, and that, numerically, a small class a monopoly of these increasing natural advantages, is a crying injustice, a tremendous abuse. Rent represents more than the value of these natural advantages, as rent is paid for improvements, as well as for the natural value of land; but the rise of rents within the last three quarters of a century may be taken as furnishing some rough index of the increase in value of the natural advantages of the soil of Britain within that period. A sound economy of land—a just tenure under which it should be held—would be one which should, from time to time, secure the application of a fair share of this increased value to the public interest. The permanent value of land over the expenses of its cultivation and improvement constitutes the most obvious source of the expenses of the State. Its application to this would very much lighten the pressure, if it did not supersede the necessity, of taxes on industry.

The law of Britain gives to the landowner a property in the soil far too unconditional and absolute to be consistent with social weal, at any rate in such a state of society, and with such a population, as our country has now reached. How absolute that property is I shall not trust to my own statement—I shall give you

the statement of the leading journal. The "Times" newspaper, of date August 31, 1850, says:—"A man possessed of the fee simple of an estate, may, if he pleases, let it run utterly to waste; he may refuse to let it, except under peculiar, and, if it so please him, unjust conditions; and although the land produce benefit to no one, by law the owner cannot be forced to adopt a more rational line of conduct." Still more tersely is the case put by one who is, I believe, a landed proprietor himself. The author of "The Theory of Human Progression," says:—"The proprietor is in no respect bound to make the land produce. He may utterly neglect it, nay, he may, as has actually been done recently in the highlands of Scotland (and as the king himself did ages ago in the New Forest)—he may drive off the population, drive off the sheep (the food of man), and convert the district into a game desert for his own amusement—he having plenty of wealth, derived, perhaps, from *other* lands, wherewith to support these costly pleasures at the expense of the nation. The land may be lying waste, as is actually the case in many parts of the United Kingdom—producing nothing for man's support, yet no man may put into it a spade or a potato to save his family from starvation, without incurring the penalties of the law. He would be a criminal (the law would call him so), and he would be treated as such." Such is the monopoly of the land which our laws of entail and primogeniture have aimed at securing in perpetuity to one numerically insignificant section of the community.

But not only is there accorded to proprietors this absolute property in land; but along with all the evils of *such* a monopoly of proprietorship, we have conjoined

a most pernicious measure of incertitude in occupancy. The tenure of ownership was, by means of primogeniture and entail, meant to be made perpetual; the tenure of occupancy is in all cases brief, in the majority of instances in England *nil*, being at the will of the proprietor. Were the landlord under any obligation to improve his land, or were he, in fact, generally an improver, the pernicious effects on agriculture and on the national resources of such a state of things might not be so great. But what is the fact? Lest I should be charged with an interested bias in the matter, I shall let impartial observers, and men every way competent to form a sound opinion in such a case, state it. John Stuart Mill says:—"In Great Britain the landed proprietor is not unfrequently an improver. But it cannot be said that he generally is so, and in the majority of cases he grants the liberty of cultivation on such terms as to prevent improvements from being made by any one else. In the southern parts of the island, as there are generally no leases, permanent improvements can scarcely be made, except by the landlord's capital; accordingly, the south compared with the north of England and the lowlands of Scotland is extremely backward in agricultural improvement. The truth is, that any very general improvement of land by landlords is hardly compatible with a law or custom of primogeniture. When the land goes wholly to the heir it generally goes to him severed from those pecuniary resources which would enable him to improve it, the personal property being absorbed by the provision for the younger children, and the land itself, often heavily burthened, for the same purpose."

And thus, what is such an injustice to the rest of the community is anything rather than a real boon—injustice never can be so, indeed—to those for whom the monopoly is secured, as it trains them to a style of living, and accustoms them to a scale of expenditure, which they have, in the majority of instances where there are families, no legitimate means of sustaining. Thus, the vastly enhanced natural advantages of the soil, instead of bearing the weight of the general charges of the State, as they well might, have proved inadequate to sustain those who have had the monopoly of them. Notwithstanding the immense revenue derived from it within the last half century, a great proportion of the land of Great Britain is heavily mortgaged. The landed proprietors have taken “what not enriches them,” whilst it leaves many of the community “poor indeed.” Thus, if mercy is twice blessed, it is certainly true that injustice is twice cursed—it curseth him that gives and him that takes.

I trust none of you will so far misunderstand me as to suppose I am speaking against persons. It is not with persons, but with social arrangements and laws that I have to deal. The landed proprietors of the present day are very much what circumstances—the hereditary habits, feelings, and conventions of their position have made them; and they probably act pretty much as so many other average individuals, taken from any of the other classes of the community, would have acted in the like position, had they been subject to the like influences. As the too frequent votaries of pleasure, as the too frequent victims of extravagance and isolating class-feeling, they are nearly as much to be *pitied as blamed*. But neither blame, nor pity, nor

any other feeling, should prevent us from calmly scrutinizing the system, which, while it has deprived other important sections of the community of large means of comfort and enjoyment, which they might else, at this day, and long have possessed, has done *them* no real service. You, indeed, can do no man a real service unless by putting him in the way of being useful to his fellows; and the system we are considering has been gradually tending now for ages to unfit those who have seemed to profit by it for being so useful. In another state of society they constituted the natural leaders and rulers of the community, but the progress of society has long since repudiated hereditary jurisdiction. The chief fought when fighting was, shall I say, a necessity of existence, and he ruled his clan whilst his clan looked up to him with reverence as its head. But both functions have become obsolete. The representative of the feudal chief neither fights nor governs, yet he retains more than all the ancient reward accorded him for doing both.

What would be a just economy of land? One which should make the obligations of the landowner in some measure proportionate to his privileges. One that should, at least, condition his tenure on a development of the resources of the soil for the benefit of the whole community, and not permit him to deal with it according to his own caprice and pleasure, or for his own profit, irrespective of how the people may fare. The great vice of the present system is, that it accords and secures large, in many cases immense, revenues, to a class on whom the State lays no correspondent obligation—revenues which may have grown up without either they or their fathers having laboured for them at all.

and which they may enjoy without making to the community any useful return. The simple progress of the country in wealth and population has made this immense enhancement in the value of the lands of all proprietors ; and in some cases, from the accident of position in their patrimonial acres—as in the case of the Marquis of Westminster, on whose lands great part of extending London is built—this enhancement of value is almost incalculable. What immense benefits, sanitary, social, and moral, might have been conferred on the poor of the metropolis by a wise application of the enormous revenues thus thrown into the hands of one single man ! But of this benefit the community has, by an economy of land radically vicious, been wholly deprived.

The Marquis of Westminster's domains furnish a prominent illustration of one class of extreme cases ; another not less marked or less pernicious in the result is supplied by our own highlands. The representative of the highland chief who shared with his retainers the fish and fowl and deer of their native glens and streams is now transformed into the proprietor—the retainers into tenants. The faunæ, the fowl, the fish—all, in fact, that is valuable in the natural products of the country, he interdicts them from the use of, and claims as his own to kill and carry off, or let on lease to another so to use. He may himself live 500 or 1,000 miles away, and is under no obligation whatever to make any return, at least until his tenantry be reduced to paupers. The people, deprived of all that the country has a natural adaptation to produce, make some desperate efforts to live by culture *where nature oftener frowns than smiles on the process,*

and for this use of the soil he exacts a rent which often amounts to the lion's share of the scanty produce. Need we wonder at highland destitution, at highland famine, at highland misery and squalor—or at the constantly recurring calls on the benevolent to interfere and save the inhabitants from perishing from absolute want. No, indeed. Such is the natural and inevitable fruit of the system. But we have not yet exhausted the claims or rights of such proprietorship. The lord of those highland glens and mountains not only claims the right to all their fish, fowl, and faunæ, to a crushing rent for the patches from which they strive by culture to extract a scanty subsistence; but, after having pursued this process to entire exhaustion, he claims the right to clear the land of the people whose fathers have lived and died there through ages too long to reckon, but whom this economy has reduced to pauperism; and to the shame of British legislation it has to be confessed that there is no law to prevent him.

But in addition to brevity and incertitude of occupancy, the tenant is subjected to another evil, unknown, so far as I am aware, to the land-economy of any other country of Europe—that evil is competition *for* occupancy. At every expiry of a tenant's lease the proprietor may, if he so pleases, subject him to the competition of others ere he can effect its renewal; and though, in many cases, this may not be in fact done, the known or presumed effects which competition would produce, has, in almost all cases, great influence in determining rents. In a country possessing so large a population—with so many having a little saved capital, so few openings for its safe, not to say remunerative investment, and with all professions so



overstocked—it is very obvious how greatly competition for the occupancy of land must operate in favour of the proprietor, to the enhancement of his revenues. But the continued risk of such competition hanging over a tenant's head, is one of the most adverse circumstances possible to improvement of the land on his part. "It is absurd," says the author of "The Theory of Human Progression," "for tenants to make permanent improvements during the currency of a lease, the only effect of which would be (and, in fact, often is), that at the end of the lease the legal landlord would let the land, *with* its improvements, by auction. Their improvements would be put up to auction, the only difference being, that the biddings are written instead of spoken; and unless they will give more rent for their own improvements than any other person will, they are turned out of the land, and in many instances carry their skill and capital to far distant countries." It is this competition that is producing the strange anomaly now presented in the letting of land; that though the prices of agricultural produce have diminished nearly one-fourth, undiminished rents are generally offered for farms, and in some cases increased ones. In fact, the effects of our economy of land are but beginning to develop themselves; but under free-trade, combined with such reckless competition for land, it is likely they will do so, ere many more years pass, in a somewhat astounding manner. Indeed, the destruction of a large proportion of the present race of occupiers seems to me inevitable. Desperate economy, combined with ample resources, will carry a portion through the crisis, but the weak, the wasteful, and the *unskilled* must everywhere go to the wall. How

differently should we have been prepared for passing through such a crisis, if, instead of territorial proprietorship, and a life and death scramble for occupancy, the occupiers had held by copyhold of the State, at a moderate land-tax or quit-rent, each, in general, farming his own land. It is not too much to say that under such an economy, double produce from the land might in many, perhaps in the majority of cases, have been secured; and, fifty acres being thus made as valuable as eighty or one hundred now are, the ambition would have been less for unmanageably-extensive, than for well-cultivated farms; and, as much would have been brought under cultivation that now lies waste, all to whom land was an object might, if possessed of the requisite capital for purchasing a copyhold, have obtained a supply; and many, indeed, possessed of only limited means might have obtained permanent holdings on what are now wastes, as these, under a secure and lasting tenure, would soon have been brought into a condition of fertility. With our crushing pauperism—our increasing difficulty of obtaining remunerative work for the able-bodied poor, and our increasing dependence on foreign countries for supplies of food, it is a scandal to our legislation that no systematic effort has been made to obtain on waste lands a permanent location for the industrial poor. Many a family now in want might thus have been put in the way of producing an ample subsistence for themselves, whilst adding at the same time so much to the home resources of the country, instead of being a burthen on it, or forced to emigrate to other lands. What, in particular, might not thus have been done for our highlands and for Ireland; the miserable cottiers now starving, or expatriated,

might have been gradually transformed into peasant proprietors—careful, provident, and skilful cultivators, each of his own small copyhold, such as are seen on the Flemish plains or on the slopes and valleys of the Alps. A huge commercial and manufacturing system may produce more wealth, but it cannot secure a social state comparable to this—a state analogous to that secured to the chosen people of old in their “goodly land,” and which is presented to us as the typical ideal of millennial happiness—each one sitting under his vine and fig tree ; *none making them afraid*.\*

I have now to advert to the only remaining scheme specified at the outset, as bearing on the distribution of property—that of preventing or discouraging large accumulations in the hands of individuals by public law. The most conspicuous instance of this, with which I am acquainted, is found in the Law of Inheritance in France, which compels an equal division of the property of the parent—what is called real, as well as other property—among all his children, female as well as male, not allowing him the power of diverting more than one-fifth from his family. This law, along with other influences, has induced an economy of the land in that country, at the very antipodes to ours. The land of France, it is computed, is divided among five millions of proprietors, whilst that of Britain is monopolized by two or three and thirty thousand. I do not say that the economy of land in France has induced a good state of agriculture, generally. In addition to the extreme division of many properties through the operation of the law of inheritance,

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\* Note F.

there obtains a much greater mischief and hindrance to improvement, what is called a *morcellement*, or division of properties into patches, somewhat like the old "rig-about" here, which, indeed, must absolutely preclude improvement in the most instances where it obtains. This, however, is an evil traceable more to a bad economy concurrent with the law of inheritance in question, than to the law itself. The unsettled, and often highly agitated state of France during the last seventy years, embracing almost the entire period of improved agriculture in Britain, must have had an exceedingly adverse effect on the agriculture of that country. But in some parts of France, even peasant-proprietorship, or holding of small farms by fixed tenure, at a certain amount of land-tax or quit-rent to the State, is found compatible with the highest state of agricultural improvement. Abundant authorities, of the most trustworthy character, testify to the skill, the care, and the assiduous and indomitable industry of the peasant proprietors in Flanders, in French Flanders, in the Swiss cantons, and in Norway, where the same law of inheritance as in France has been in operation for a thousand years; and yet, says Mr. Laing, "it does not appear to have had any such effect as to reduce the landed properties to the minimum size, that will barely support human existence. I have counted," he adds, "from five-and-twenty to forty cows on a farm, and that in a country where, during at least seven months in the year, the farmer must have winter provender and houses provided for the cattle." Indeed, under no economy of the land—neither under the greatest subdivision arising anywhere in France from the law of inheritance, nor under the *Metayer* system of Tuscany, where the pro-

prietor supplies capital to the cultivator, and receives a certain fixed proportion, generally half the produce—not even amongst the serfs of Russia and Poland, will so much destitution, misery, and such grinding oppression be found, as in Ireland and our own Highlands, under a system of territorial proprietorship ; where all the evils of subdivision, uncertainty of tenure, competition, and absentee exaction, combine and concentrate their baleful influence, inducing an utter prostration of the energies of a race not naturally the most deeply imbued with the industrial spirit.

The burden of our tremendous taxation presses heavily on the resources of our industrial population—draining some six or seven pounds a-year from the income of every effective man. That taxation is mainly the fruit of war, and the war spirit ; these have produced a national debt, which swallows up nearly thirty millions a-year, as interest, of the resources of the people ; and some eighteen millions more are now absorbed in keeping up extravagant establishments, military and naval, in times of peace—establishments, a main part of whose value is, to provide an outlet for the younger sons of our aristocracy, deprived of their paternal patrimony by the laws of primogeniture and entail ; and for whom, as they “cannot dig,” the industrial portion of the community have hitherto had to provide somehow.

This debt it seems we are to transmit undiminished to our descendants, to hang like a millstone about the neck of industry in coming ages, when, by a simple arrangement as to inheritance, it might soon be greatly reduced, and, in no very long period, I am inclined to *believe, entirely* extinguished. Large property in land

and money is often left by persons dying intestate, and having no representatives either in the direct descending or ascending line. I agree with Mr. Mill, and the late Mr. Bentham, that there would be no injustice to any one in the law making such property the property of the State. Such property often reverts to distant relatives, having neither natural nor moral claim to it, if it is not intercepted by the lawyers through the disputes that arise between different parties as to the right of inheritance. Even in cases where such property reaches those distant heirs—if the amount is large, it very often does the parties far more harm than good. It needs a measure of good sense and self-control, not altogether so common, wisely and well to use what one has had no labour in earning.

But I will go further. To me it appears that it would be an act of great national justice, and would involve injustice, or real injury to none, if in the matter of landed property, wherever there were no *lineal* or immediate *collateral* heirs, such property should revert to the State. A great proportion of the land which, in the ages of arbitrary rule, was alienated from the people, might thus, without any expense to the public, or any private injustice, be restored to its proper basis, both as respects private occupancy and public revenue. The rents of such lands would soon become so large an item as to lighten very much the burden of taxation; or, a better economy might be, to sell the copyhold of such lands, in moderate allotments, and apply the proceeds to the extinction of the national debt, whilst a moderate land-tax or annual quit-rent would still form no inconsiderable item of public revenue. Any of you who may have at all attended to the recent

history, or the prospective condition, even within no very wide circle, of the principal landholding families, would perceive at a glance how large a portion of the land of the country would, within the present generation, under such an economy, have been restored to public uses, instead of being diverted, and to no one's real benefit, to the private luxury and aggrandisement of parties having no valid claim to it.

A great revolution is going on in the public mind on the subject of property, in particular the feeling of blind feudal reverence will be extinct with the current generation; and I am convinced that if wise concessions of this and of corresponding character are not made to the demands of justice, a social crisis on the land question may arrive much sooner than many dream of. Under no approximation to just ideas of the true economy of land in a civilized and populous State, can it obtain for generations more, that the natural advantages of the soil of the country, equally by natural right the patrimony of the whole inhabitants, should not merely be monopolized by some thirty and odd thousand families, but that this soil should, in large territorial masses, be, in virtue of laws in the continuance or abrogation of which the whole community has such an interest, quietly transferred from one family into another, often not possessing the least natural or moral claim to any such heritage. Unless the reign of injustice is to be perpetual, such things cannot continue in a country where intelligence and virtue are progressive amongst the masses—and a country in which, whilst one portion of the inhabitants are maintained in luxurious idleness, another and much *larger struggle* in vain to avert from themselves and

families the degradation and the curse of pauperism. But whether measures of legal justice are adopted or not, the present system cannot last. Indeed, it is already in process of being self-devoured. Under the slight relaxation which has taken place already in the law of entail, you have but to look into the columns of the "North British Advertiser," or the "Aberdeen Journal," to perceive abundant indication how the land of Scotland is seeking new ownership. Were the sale of land as free as that of corn or calico,\* you would soon see a disintegration of territorial estates, and a redistribution of landed property going on on every hand. But there are social agencies which have been long at work, and causes which have their source deep in human nature, which will render this breaking up of landed property inevitable; especially now that, by the abrogation of the corn and provision laws, the props have been withdrawn which sustained landed property at a factitious value. You will recollect that in the early portion of this lecture I adverted to two great tendencies in regard to property at work in society—the tendency to accumulation, and the tendency to redistribution. Up to a certain very recent period, almost up to the present hour, all things in this country—our stage of civilization, laws, social usages, scientific discoveries, mechanical powers, manufacturing and monetary systems—have conspired to foster and fence large accumulations in the hands of individuals. The very immunities of accumulated property in these days have, however, been bringing into play a principle of human nature, stronger in its disintegrating force than is the combined strength of

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\* Note G.



the whole of these. I adverted to the successful classes being divided between the pursuit of pleasure and the pursuit of gain. When pleasure becomes the main object of pursuit with any man, the race almost invariably outstrips the means. You see this exemplified in the landed aristocracy. The majority of them have for ages back had no other recognisable occupation but the pursuit of pleasure; yet, ample as their revenues have been, they have, in general, run far a-head of them, in the attempt to minister to that insatiable appetite. The consequence is, their estates are heavily mortgaged, and, in many cases, they are obliged to expatriate themselves from their palace-mansions, and their hereditary domains.

But the aristocracy of commerce and of manufactures—the “merchant princes” and “cotton lords”—meet the aristocracy of land in the metropolis and other minor centres of fashion. They rival the landed aristocracy often in wealth, or, at any rate, in the means, through credit, of commanding for a time a corresponding amount of the instruments of pleasure. The tastes of the one aristocracy—their ambition of pleasure and display—generate like tastes in the other; and the pursuit of gain in the manufacturing and trading classes has thus gradually been becoming subsidiary to the pursuit of pleasure. Gain is pursued in order that they may command means of luxurious and expensive enjoyment corresponding with those of the hereditary aristocracy; and when pleasure becomes a leading object, the one class will, no more than the other, command exemption from the law of human nature, which drives the pleasure-seeker a-head of his means. Hence one great *cause* of the frequent failures of trading and manu-

facturing houses. Hence, what we so often see, the fortune amassed by a careful, industrious, parsimonious father, squandered by a prodigal family.

But, in addition to this great disintegrating force at work through all the successful circles of society, there are other forces and social agencies coming daily more powerfully into action, not only to the breaking up of large existing accumulations, but to the preventing their being formed in any such number and amount as heretofore in future. None of you expect to make fortunes now by farming, I believe. It is the labourer here who now has the ball at his foot. Everywhere you hear the complaint that the returns in business are ground down, through competition, to the lowest point; nay, you have but to glance over the advertising columns of any newspaper, to see how many sell below prime cost, even to the extent of 'tremendous sacrifices.' The villanous practice of adulteration now prevailing to such a fearful extent, even in articles of food—a melancholy indication as it is of our low *moral* state, is also an instructive indication of our *social*, proclaiming, as it does, that competition has been carried to such an extent, as to render *gain* by fair means, in business, to the majority, impossible. The entire freeing of trade, and the instantaneous transmission of intelligence, are both tending to the same result. The one extends the field of competition to the limits of the civilized world—the other abolishes the advantages of exclusive information, through which men formerly, often, made fortunes at a stroke. Intelligence of political oscillations, of the tendencies of business at all the great marts, of the state of the weather and the prospects of the crops, are now transmitted with the speed of

thought, and diffused by the press, morning, noon, and night, through the whole community.

The abrogation of monopolies—the destruction of prescriptive injustice, and of social wrong, will ultimately leave only one thing—USEFUL LABOUR—sure of its reward; and gradually but surely everything will be swept away that comes between it and its reward. The man with persevering industry to earn, and economy to use, as he is the true architect of a nation's weal, shall have a wider space cleared for him, ere long, every day. On the increase of such a class the hopes of our country depend; and were they found everywhere true to themselves, and to one another, nothing could long withstand the recognition and concession of their equitable claims.

But, conscious as well as silent, social agencies are working powerfully towards this great social revolution. The chief regard, long engrossed by wealth, is now becoming transferred to *man*. Everywhere around us we find the great concern to be the condition of the masses. With their vices, their miseries, their wrongs, their privations—with how they are to be educated, rescued, raised, current literature is full. “The-condition-of-England-question” has become the great question of the day. Mr. Mayhew is exploring every lane and blind alley of the metropolis, and Mr. Bullock is ferreting out the remotest highland glens, whilst, under the burden of our social state, Thomas Carlyle rises into “epos and prophecy.” The great principle, “*Man above property*,” received its first act of public homage in the extinction of slavery in our colonies—the abolition of property in man. The second public act of *homage to this true and great principle*—though some

of its leading agents hardly discerned it in this light—the second act of public homage to this principle, I will say—though I myself, along with many of you who listen to me, am a temporary sufferer from it—was the cheapening of the people's food—the abolition of the laws which taxed all the industrial classes to enhance the wealth of one class. Another great act of homage is preparing under the expiring régime. Man has been honoured only as he has been the possessor of wealth or adventitious distinctions; but public sentiment is undergoing a rapid change. Honour to the **WORKER**, and shame to the **IDLER**, is now proclaimed by the leading spirits of the time. The real useful worker with head or hand will soon be recognised as the only true man; and the brand is already heating which shall stamp with indelible infamy the luxurious idler, decked forth or titled howsoever he may be. Do you quarrel with the slowness of the process of social amelioration? Do you ask, with impatience, why tarries the chariot of Justice so long? Would you desiderate more marked and summary evolutions towards the ushering in of a reign of equity and happiness on the earth? Wisdom is justified of her children when they possess their souls in patience. He who presides over these great processes, reckons not his eras by our puny years. The mass of men, no doubt, are apt to be most impressed by changes which “come with observation,” and are ushered in by noise and convulsions, but the deepest agencies work silently and slow. And in proportion generally to the slowness of the process is the permanency and value of the product. The straw with which you thatch your houses grows in a season, and is soon rotten and gone; but the slate which it took

many ages to deposit and consolidate at the bottom of the sea, will last for centuries. The mighty ribs of oak which have, through a millennium, sustained the roofs of those noble fanes which mark the architectural genius, the art, and I will say, after a fashion, the piety of mediæval times—the pine “hewn on Norwegian hills to be the mast of some great admiral”—are the growth of centuries, and attain their stature and consistence by a process too slow to be detected by any sense of ours. The enlightened advocate of human progress, and of the welfare of the many, feels, indeed, that all the great processes of nature, and all the lessons of history, are a rebuke to human impatience. His faith will not be shaken by ages of seeming reverse and retrogression. He knows that the evolution of a reign of Justice, depending so much as it does on individual character and agency—on the individual character and agency of such beings as men are—must be slow. If amongst the industrial classes he saw a rapid advancement in knowledge, self-control and high disinterested principle, just in proportion would his hopes rise of a speedy destruction of wrong, oppression, and injustice among men. But whilst for the building up of forms of social symmetry and beauty he feels that a living agency is requisite, for the breaking up of forms of oppression and wrong, however solid may seem their foundations, or strong their bulwarks, physical forces are sufficient; every form of evil carries in it the seeds of destruction from its birth, and every social or political fabric, founded on injustice and wrong, will go to pieces through a destiny which no power nor policy can avert. Evil is self-destructive, the good perennial and eternal.

## NOTES AND ILLUSTRATIONS.

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### NOTE A., page 9.

As it was the author's object in these lectures to aim as much as possible at simplicity, and to divest the subject discussed of technicalities, reference was frequently made for illustration to the simpler states of society. It may, however, now be desirable, when these disquisitions are presented to the public through the press, to give some exposition of the mode in which the law of Interest, laid down in the text, operates in an advanced social state, and in communities of great commercial activity. A want of capital for commercial purposes operates just in the same way as a want of capital (in a more primitive social state) for domestic or agricultural purposes. In seasons of great commercial activity and of speculative excitement, a great amount of capital being called into use, the rate of interest rises, or the price of the use of money increases, though the price of capital, absorbed in commodities (even staple ones) may not increase, because money is the readily available form of capital, especially in all new or unwonted enterprises and speculations. But when there is a plentiful supply of the great necessities of life, capital, or its representative, money, is now so abundantly at the command of the commercial classes, that a great activity in business, pushed even to a considerable extent into speculative channels, may occur—as has been the case during this very last year (1851)—and yet money be abundantly procurable at a low charge. Recently, home industrial enterprise has been low, and all the great staples of food cheap. But at such a period (*e.g.* 1846-7) when food is dear, and capital is withdrawn on all sides to feed a fever of speculative industry, then it is that the commercial community feel the difficulty of procuring money; and the price of "accommodation" rises to exorbitant rates. Through

their immensely enhanced price, an unusual amount of money was then absorbed in the trade in articles of human food; an unusual proportion of floating capital was converting into fixed capital in railways; the community was, at one and the same time, both consuming and fixing an unwonted proportion of its available capital; and a serious withdrawal of it from the more wonted commercial channels could not but occur. The want of real capital was supplied by nominal—by paper—to an unusual extent; and when real payment could no longer be deferred, the crash came. At that era, with its unwonted consumption and unwonted conversion of capital—a great amount going abroad for food on the one hand, and an immense amount becoming fixed railroads on the other—the nation was in the condition of an individual whose resources are inadequate to meet his wants; and, in the trading section, chiefly from its being most dependent on credit, and most liable to unforeseen reverses, the fabric gave way.

But the use of a representative currency, as far as it represents fixed property, lowers the rate of interest to the owners of real spare capital; as such a currency, serving the purpose of real capital, yet only represents that which could not itself be lent. The man who has real capital to lend gets less for the use of it, because the banker and the bill-granter generate a factitious capital,—an instrument by which property performs the functions of floating capital, whilst itself yet remains fixed. Yet, the person who wants “accommodation” (the borrower) does not, perhaps, pay less for it. The paper-issuing banker steps in between the borrower and the owner of real, spare capital, supplying him with a factitious kind from a source which would not else have been available, charging a rate of interest which would make the business highly profitable, were it not for the risks which the banker incurs in his accommodations. The rate of interest charged must be such as to cover those risks, as well as meet the expenses of the banker’s business, *at the least*. And the cost of those risks, and of an altogether unnecessary multiplicity of banking establishments, comes as tax on the returns of the real capitalist, and on the profits of the honourable borrower. Were our banks merely a medium for the circulation of real capital, receiving from the lender and supplying to the borrower, the return to the real capitalist would be much greater; and the field of risk would be much narrowed, as there would then be only real spare capital to lend. By extending the principle of Sir R. Peel’s late banking act, and making it imperative that the paper issued by the bank should never exceed the bullion in its coffers, paper money would be made a cheap and *equitable* instrument of exchange; but such an arrangement would *cut off the peculiar source of profit* of our banks of issue, and

would probably reduce their numbers within narrow limits, by rendering many of them at once unprofitable and unnecessary.

This, however, is a monetary revolution which the vast supplies of gold now opening up to us would enable a wise legislator to effect, perhaps, more easily than the establishment of a paper currency on the basis suggested in the text. It would not be so cheap a currency, but it would be free from some difficulties that might attach to the satisfactory management of one founded on the basis there suggested. This would be, in fact, but the carrying out, in the case of *all* paper issues, of the plan proposed by the late Mr. Ricardo, in reference to the Bank of England, which was, to make the notes of the bank a legal tender under an obligation imposed on the directors to pay them on demand in gold bars of the proper standard. Though he—to prevent a run on the bank by holders of notes to a small amount—would have made these notes thus convertible, only when presented to the amount of the value of 60 ounces of gold or upwards;—a quite arbitrary limit, and in seasons of diminished public confidence, unfair towards small capitalists and the poor.

That the immense supplies of gold which we have in prospect to receive from California and Australia should be applied to the superseding of a currency representing fixed capital, by one representing free and spare capital, is an object of such importance, that the wisdom of our legislators will be sadly at fault if they do not entertain and make provision for it. A gradual absorption of the supplies of gold in this way would tend greatly to prevent the derangement of *values* which must ultimately ensue if these supplies continue, without provision made for their application to such use. The precious metals have been the sound recognised instruments of exchange throughout all ages; and whilst I believe that their amount will be found adequate to the increasing wants of the civilized world for such a purpose, I have no opinion that they will ever be obtained in such quantities as to reduce their value inconveniently low for that use. The value of gold may be reduced as compared with that of silver; but gold will continue gold, and iron, iron, to the end of time.

By the arrangement under contemplation, everybody would have a claim on commodities of tangible recognised value. Honest work could not be so often balked of its rewards, nor dishonest idleness so often intercept and clutch those rewards. The stimulus of industry, the instrument of commerce, would be a sound, real, available capital; those fearful derangements would be obviated, which arise from enterprises sustained mainly by credit, enterprises which call trade and industry into feverish activity for a time, only



ultimately to break down and deprive the worker of much of his due. Commerce would be steadied and rendered secure by being confined to its natural channels, and carried on by its natural instruments.

And in connexion with the increase of gold, the facilities of rapid transmission are rendering this every day more practicable. With the exception of our Australian colonies, facilities are already presented, or in progress, by which it would take only a very short time to convey real payment to any part of the civilized world. Where goods cannot be exchanged for goods, gold would be subject to only a very brief period of unproductiveness in the transmission. In fact, all the advances of civilization—all the great discoveries—all the facilities of production, which distinguish our day—are but supplying the means of extinguishing that huge modern system of credit which inevitably issues in wide-spread periodical ruin, and lands in its ultimate pressure on the industrial masses.

The great distinctive feature in such a monetary revolution would be, to make money a real payment instead of a mere claim on fixed capital (as a great proportion of paper money now is) of floating capital absorbed in other uses, or of a merely nominal capital based on the public credit, as is the case with the 14,000,000*l.* of notes issued by the Bank of England "against public securities;" and which, in fact, represent, not capital, but so much of the national debt, the Bank having a claim to that amount on the national funds, and the security of that claim being the continued solvency of the Government; the stock of the Bank to about that amount having been *lent* to the Government, and consumed, like an immense amount of other capital, in the late war. Thus it will be seen that the Bank of England rests to this large extent on the same *kind* of basis as that indicated in the portion of the text on which this note bears, but with a very inferior sort of security to what the Crown lands would constitute; for such another expenditure as that of the French revolutionary war would, in fact, render the nation insolvent.

NOTE B., page 30.

"They," (the economists,) says Mr. Mayhew, "attribute almost every evil in the land to the fact of there being 4,000,000 workmen to supply nearly 20,000,000 of individuals with food, clothing, shelter, warmth, light, and, indeed, every necessary and luxury that human nature can either demand or desire—declaring that one-fifth of the population are far too many to create the wealth *required for the sustenance and enjoyment of the whole, and a*

good part of the world besides; and that, consequently, the labour market of the country is overstocked to such a degree that distress and want must be the necessary portion of a considerable number; but (mark the absurdity) never even so much as hinting the while that the 600,000,000 of steam rival operatives which have been created within the last century have in any way tended to produce the overstocking of the said labour market, nor venturing to propose that *capitalists* should be taught to restrain *their* passions (for wealth) and made to refrain from annually bringing so many steam labourers into existence. That there are too many steam-engines and mechanical labourers is proved by the repeated gluts in the Manchester and other markets—such gluts being admitted on all hands to be the necessary consequences of over-production. Manchester manufacturers, however, while they admit the over-production, attribute the glut rather to under-consumption, saying that it is impossible there can be too much calico till every man and woman in the kingdom has a superabundance of under-clothing. But how is it possible for working men and women to avail themselves of the superabundance of materials for shirts, shifts, and petticoats, when the only thing they have to give in exchange for such articles is their labour? and of this, by the invention of machinery, the division of labour, and the large system of production, we are daily depriving them—or, in other words, seeking how to produce more wealth with fewer labourers. When the economy of labour is the ruling principle of the science of manufacture, how can we wonder at the superabundance of labourers? Or, knowing these things, how can we, without laughing in our sleeve the while, seek to prove that such superabundance of labourers is due solely to the unrestrained sensuality of the working classes? With 600,000,000 of steam men to help to do the work of the nation, no wonder that a considerable portion of the 4,000,000 of human creatures can get little or no work to do! . . . . Wages depend, not only upon the proportion between the number of labourers and amount of money expended in the direct purchase of their labour, but also on—matters equally important for the right understanding of the subject, but as yet wholly omitted from all ‘economical’ consideration—the duration of the daily labour as well as on the rate of labouring; and, consequently, that anything which tends to *increase* either the number of labourers—the duration of their labour—or the rate of labouring, tends, in precisely the same proportion, not only to *decrease* the amount of money coming to the operatives, but (provided the prices to consumers remain the same) likewise to *increase* the amount of profits accruing to their employers. The Messrs. Nicol, of Regent-street,

*are said to have amassed 80,000*l.* each, in a few years, simply by reducing the wages of the 1,000 workmen they employ to one-third below that of the 'honourable' trade."*—*London Labour and the London Poor.*

NOTE C., page 32.

For this note and a portion of those which follow, I am indebted to Mr. Kay's work on "The Condition of the People in England and Europe." Mr. K. visited the continent as travelling bachelor of the University of Cambridge, and the strong testimony he has borne in favour of the peasant proprietorship of the continent is one of the marked signs of the times.

"Besides the depressing and demoralizing effect of our system of monopoly of land upon the peasants, another great evil which results from our English system of great and few farms, and great and few estates, is, that it drives vast numbers of the young peasants, and of the younger sons of farmers, into the manufacturing towns, and by overstocking the labour markets, renders it more and more difficult every year for the small shopkeepers and labourers of these towns to make a livelihood amid the ever increasing competition around them."—*Kay*, i. p. 372.

"I know not what others may think, but to me it is a sad and grievous spectacle, to see the enormous amount of vice and degraded misery which our towns exhibit, and then to think that we are doing all we can to foster and stimulate the growth and extension of this state of things, by that system of laws, which drives so many of the peasants both of England and Ireland to the towns, and increases the already vast mass of misery by so doing.

"I speak with deliberation when I say, that I know no spectacle so degraded, and, if I may be allowed to use a strong word, so horrible, as the back streets and suburbs of English and Irish towns, with their filthy inhabitants; with their crowds of half-clad, filthy, and degraded children, playing in the dirty kennels; with the numerous gin-palaces, filled with people, whose hands and faces show how their flesh is, so to speak, impregnated with spirituous liquors—the only solaces, poor creatures, that they have!—and with poor young girls, whom a want of a religious training in their infancy and misery has driven to the most degraded and pitiful of all pursuits."

"Greater evils never threatened civilization and religion, than the great cities which have been springing into existence within the last one hundred years. If we would save civilization, religion, *morality*, and the happiness of the people, we must reform our

towns. And one great step towards that end will be, to do away with those causes which drive so many of our agricultural population into them."—*Ib.* pp. 373, 374.

NOTE D., page 33.

"The labourer has no longer any connexion with the land which he cultivates; he has no stake in the country; he has nothing to lose, nothing to defend, and nothing to hope for. The word 'cottage' has ceased to mean what it once meant—a small house surrounded by its little plot of land, which the inmate might cultivate as he pleased, for the support and gratification of himself and his family. The small freeholds have long since been bought up and merged in the great estates. Copyholds have become almost extinct, or have been purchased by the great landowners. The commons, upon which the villagers once had the right of pasturing cattle for their own use, and on which, too, the games and pastimes of the villagers were held, have followed the same course; they are enclosed, and now form part of the possession of the great landowners. Small holdings of every kind have, in like manner, almost entirely disappeared. Farms have gradually become larger and larger, and are now, in most parts of the country, far out of the peasant's reach, on account of their size and of the amount of capital requisite to cultivate them. The gulf betwixt the peasant and the next step in the social scale—the farmer—is widening and increasing day by day. The labourer is thus left without any chance of improving his condition. His position is one of hopeless and irremediable dependence. The workhouse stands near him, pointing out his dismal fate if he falls one step lower, and, like a grim scarecrow, warning him to betake himself to some more hospitable region, where he will find no middle-age institutions opposing his industrious efforts."—*Kay*, i. pp. 362, 363.

"The social condition of the peasants in England and Wales has considerably deteriorated in the last half-century. Fifty years ago, the farms were very much smaller and much more numerous than at present; they did not require nearly so much capital to work them. They were not, therefore, removed nearly so far out of the reach of the peasants as at present. Any peasant, who was industrious and careful enough to lay by sufficient to stock a small farm, might reasonably hope to become a tenant of one."—*Ib.* p. 364.

NOTE E., page 41.

"We see on every hand stately palaces to which no country in the world offers any parallel. The houses of the rich are more

gorgeous and more luxurious than those of any other land. Every clime is ransacked to adorn or furnish them. The soft carpets, the heavy rich curtains, the luxuriously easy couches, the beds of down, the services of plate, the numerous servants, the splendid equipages, and all the expensive objects of literature, science, and the arts, which crowd the palaces of England, form but items in an *en semble* of refinement and magnificence, which was never imagined or approached in all the splendour of the ancient empires.

"But look beneath all this display and luxury, and what do we see? A pauperized and suffering people.

"To maintain a show, we have degraded the masses, until we have created an evil so vast, that we now despair of ever finding a remedy. The Irish poor have drunk the dregs of the cup of misery, and are hardly kept from revolution by the strong arm of the soldiers and police; while the English poor are only saved from despair and its dread consequences by the annual expenditure of MANY MILLIONS in relief, which our own neglect and misgovernment have rendered necessary."—*Kay*, i. pp. 452, 453.

"An idle man is a public nuisance, and ought to be chased out of the hive of men. He fosters almost invariably immorality and vice. What shall we say, then, of a system which supports a crowd of idle men, and puts these idle men into the most influential places of the land?"—*Ib.* p. 46.

#### NOTE F., page 62.

"In Belgium, Holland, Germany, Switzerland, the Tyrol, France, North Italy, Denmark, and Norway, the majority of the estates vary from 300 acres to 1 acre in size."—*Kay*, i. p. 56.

"Holland has the honour of having been one of the first among European nations which recognised the truth that an uncivilized and degraded peasantry are always more immoral and wretched than one whose minds have been disenthralled, and whose tastes have been raised by a religious, moral, and intellectual education; and she has the still greater honour of having been one of the first to throw off the shackles of uncharitable and unchristian sectarianism, and to assert, and to act on the assertion, that the doctrines in which all Christian sects agree, are immeasurably more important than the doctrines in which they differ."—*Kay*, ii. p. 441.

"Nothing can exceed the cleanliness, the personal propriety, and the apparent comfort of the people of Holland. I did not see a house or fence out of repair, or a garden that was not carefully cultivated. We met no ragged or dirty persons, nor any drunken

men; neither did I see any indication that drunkenness is the vice of any portion of the people. *I was assured that bastardy was almost unknown*; and although we were, during all hours of the day, much in public thoroughfares, we saw only two beggars, and they in manners and appearance scarcely came within the designation.

"The Dutch people appear to be strongly attached to their government, and few countries possess a population in which the domestic and social duties are discharged with such constancy. A scrupulous economy and cautious foresight seem to be the characteristic virtues of every class. To spend their full annual income is accounted a species of crime. The same systematic prudence pervades every part of the community, agricultural and commercial, and thus the Dutch people are enabled to bear up against the most formidable physical difficulties, and to secure a larger amount of individual comfort than probably exists in any other country."—*Nicholl's Report on the Condition of the Labouring Poor.*

Mr. H. D. Inglis gives the following account of the Engandine, a valley amongst the High Alps:—"In the whole of the Engandine the land belongs to the peasantry. . . . Generally speaking, an Engandine peasant lives entirely upon the produce of his land, with the exception of the few articles of foreign growth required in his family, such as coffee, sugar, and wine. Flax is grown, prepared, spun, and woven, without leaving the house. He has also his own wool, which is converted into a blue coat, without passing through the hands of either the dyer or the tailor. The country is incapable of greater cultivation than it has received. There is not a foot of waste land in the Engandine, the lowest part of which is not much lower than the top of Snowdon. Wherever grass will grow, there it is; wherever a rock will bear a blade, verdure is seen upon it; wherever an ear of rye will ripen, there it is to be found. . . . In no country in Europe will be found so few poor as in the Engandine. In the village of Suss, which contains about six hundred inhabitants, there is not a single individual who has not wherewithal to live comfortably; not a single individual who is indebted to others for one morsel that he eats."

Speaking of the Palatinate (Germany), Mr. Howitt says:—"The peasants are not, as with us, for the most part totally cut off from property in the soil they cultivate. They are the proprietors. It is, perhaps, from this that they are probably the most industrious peasantry in the world. They labour busily early and late, because they feel that they are labouring for themselves. . . . Every man has his house, his orchard, his road-side trees, commonly so heavily laden with fruit, that he is obliged to prop and secure them

all ways, or they would be torn to pieces. He has his corn-plot, his plot for mangel-wurzel, for hemp, and so on. He is his own master, and he and every member of his family have the strongest motives to labour. You see this in that unremitting diligence which is greater than that of the whole world besides, and his economy, which is still greater."—*Rural and Domestic Life of Germany*.

NOTE G., page 67.

In Great Britain the laws relating to property in land are so technical, and based upon so much antiquated learning, and upon so many almost forgotten customs, that it is quite impossible for any one, who has not made himself master of a great deal of old learning connected with them, to understand them. If a system had been expressly devised in order to keep every one but the studious part of the legal profession ignorant of its objects and meaning, none could have been better fitted to effect this end than our present landed property laws. When we see the beautiful simplicity and clearness of foreign codes, enabling any unprofessional person to understand their general bearing and effect; and when we look at our own system, which keeps every one, but a part of the legal profession, in absolute darkness as to the rights and privileges of an owner of land, which often renders it very difficult and expensive for a proprietor to find out what his real power over his property is, and which tends so greatly to fetter and impede the sale of land, by rendering its conveyance from man to man so difficult and expensive; and when we remember how many centuries this system has existed; we see another singular instance of the difficulty and slowness with which the most useful and necessary reforms are effected.

"These laws were framed and retained for the express purpose of keeping the land in the hands of a few proprietors,—of depriving the peasants and small shopkeepers of any part of it, and of the influence which its possession confers,—and of supporting a great landed proprietor class, in order to uphold the system of aristocratic government, and to give greater strength and stability to the Crown."—*Kay*, i. pp. 37, 38.

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